



Meeting Agenda

Joint MTC Legislation Committee and ABAG Legislation Committee

| Friday, May 10, 2019 | 9:15 AM | Board Room - 1st Floor |
|----------------------|---------|------------------------|
| | | |

*** PLEASE NOTE MEETING TIME ***

This meeting is scheduled to be webcast live on the Metropolitan Transportation Commission's Web site: http://mtc.ca.gov/whats-happening/meetings and will take place at 9:15 a.m. or immediately following the 9:00 a.m. Operations Committee meeting.

1. Roll Call / Confirm Quorum

Quorum: A quorum of the ABAG Legislation Committee shall be a majority of its regular voting members (6). Quorum: A quorum of the MTC Legislation Committee shall be a majority of its regular voting members (5).

2. ABAG Compensation Announcement - Clerk of the Board

3. ABAG Legislation Committee Consent Calendar

 3a.
 <u>19-0376</u>
 Approval of ABAG Legislation Committee Summary Minutes of the April 8, 2019 Meeting

 Action:
 ABAG Legislation Committee Approval

 <u>Attachments:</u>
 <u>3a ABAG Legislation Minutes 20190412 Draft.pdf</u>

4. MTC Legislation Committee Consent Calendar

 4a.
 <u>19-0377</u>
 Approval of MTC Legislation Committee Minutes of the April 8, 2019 Meeting

 <u>Action:</u>
 MTC Legislation Committee Approval

 <u>Attachments:</u>
 <u>4a MTC LEGIS Minutes Apr 12 2019.pdf</u>

5. Joint MTC Legislation Committee and ABAG Legislation Committee Consent Calendar

| 5a. | <u>19-0378</u> | Legislative History |
|-----|---------------------|--|
| | | Detailed list of bills the Commission is tracking in Sacramento and Washington D.C., including those ABAG or MTC supports or opposes. |
| | <u>Action:</u> | Information |
| | <u>Presenter:</u> | Rebecca Long |
| | <u>Attachments:</u> | 5a_May_LegisHistory_State and Federal.pdf |
| 5b. | <u>19-0477</u> | AB 69 (Ting): Small Home Building Standards |
| | | AB 69 would require the Department of Housing and Community Development (HCD) to propose small home building standards governing ADUs smaller than 800 square feet, junior ADUs and detached dwelling units smaller than 800 square feet. These standards must include allowances for small kitchens and bathrooms with small appliances and achieve the most cost-effective construction standards possible. The standards must be submitted to the California Building Standards Commission (CBSC) for adoption by January 1, 2021. |
| | <u>Action:</u> | Support & Seek Amendments/ ABAG Executive Board Approval Support & Seek Amendments / MTC Commission Approval |
| | <u>Presenter:</u> | Rebecca Long |
| | <u>Attachments:</u> | 5b AB-69 Support and Seek Amendments.pdf |
| 5c. | <u>19-0478</u> | AB 1483 (Grayson): Housing Data/Transparency |
| | | This bill seeks to make housing fee and zoning standards more transparent by requiring that they be posted on local agency and state web sites, requires local agencies to provide additional reporting of housing permit requests, production and permitting data annually, and requires the Department of Housing and Community Development (HCD) to develop an online database of housing production data accessible to the public. |
| | <u>Action:</u> | Support and seek amendments / ABAG Executive Board Approval Support and seek amendments / MTC Commission Approval |
| | Presenter: | Rebecca Long |
| | Attachments: | 5c_AB-1483_Grayson.pdf |
| | | |

| 5d. | <u>19-0486</u> | SB 6 (Beall): Statewide Housing Site Inventory | | | |
|-----|---------------------|---|--|--|--|
| | | SB 6 would require that the Department of Housing and Community Development (HCD) add to the statewide surplus lands inventory locally-identified sites available for housing development as identified in a local agency's housing element site inventory. | | | |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval | | | |
| | <u>Presenter:</u> | Georgia Gann Dohrmann | | | |
| | <u>Attachments:</u> | 5d_SB-6_Beall.pdf | | | |
| 5e. | <u>19-0510</u> | AB 68 (Ting): Accessory Dwelling Units | | | |
| | | AB 68 would prohibit local Accessory Dwelling Unit (ADU) standards from including certain requirements related to minimum lot size and replacement parking and would require an ADU (attached or detached) of at least 800 square feet and 16 feet in height to be allowed. The bill would also reduce the allowable time to issue an ADU permit to 60 days after an agency receives a completed application. | | | |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval | | | |
| | <u>Presenter:</u> | Georgia Gann Dohrmann | | | |
| | <u>Attachments:</u> | 5e AB-68 Ting.pdf | | | |
| 5f. | <u>19-0545</u> | AB 1485 (Wicks): Workforce Housing | | | |
| | | AB 1485 would modify affordability requirements applicable to a developer who wants to take advantage of current law's by-right provisions in Senate Bill 35 (Wiener, 2017) such that a project could either dedicate 10 percent of the total number of units to housing affordable to households making below 80 percent of the area median income (AMI)-as provided for in current law-or 20 percent to households earning below 120 percent AMI with an average income of units at or below 100 percent-which the bill would add as a new option. | | | |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval | | | |
| | <u>Presenter:</u> | Rebecca Long | | | |
| | <u>Attachments:</u> | 5f_AB-1485_Wicks.pdf | | | |

| 5g. | <u>19-0379</u> | Tom Bulger's Report |
|-----|-------------------|--|
| | | Report from Washington, D.C. advocate. |
| | Action: | Information |
| | <u>Presenter:</u> | Randy Rentschler |
| | Attachments: | 5g_Tom Bulger's DC Report_Apr_2019.pdf |

7. State Legislation

| 7a | <u>19-0544</u> | Housing Legislative Working Group Update | | | |
|----|---------------------|---|--|--|--|
| | | Report on the work of the ABAG-MTC Housing Legislative Working Group, convened to provide input into staff's analysis of key housing bills under consideration in Sacramento this year. | | | |
| | Action: | Information | | | |
| | <u>Presenter:</u> | Rebecca Long | | | |
| | <u>Attachments:</u> | 7a Housing Leg Working Group Update.pdf | | | |
| | | 7a_Handout_Attachment E_HLWG 5.1.19 Notes.pdf | | | |
| | | 7a_HANDOUT_Attachment F_Ronen_Comments.pdf | | | |

Presentation

| <u>19-0572</u> | PowerPoint Presentation |
|----------------|--|
| Attachments: | 7 PowerPoint Joint Leg Committee May Housing Bill Presentation.pdf |

b. California Housing Legislation: Protection Bills

| 7b1. | <u>19-0483</u> | AB 1481 (Bonta) and AB 1697 (Grayson) - Tenancy Termination: Just Cause | | | |
|------|---------------------|---|--|--|--|
| | | Prohibits eviction of a tenant without just cause stated in writing. Requires tenant be provided a notice of a violation of lease and opportunity to cure violation prior to issuance of notice of termination. | | | |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval | | | |
| | <u>Presenter:</u> | Rebecca Long | | | |
| | <u>Attachments:</u> | 7b1_AB-1481 and AB-1697.pdf | | | |

| 7b2. | <u>19-0511</u> | AB 1482 (Chiu) - Statewide Annual Cap on Rent Increases |
|------|---------------------|---|
| | | Caps annual rent increases by five percent above the percent change in the cost of living and limits the total rental rate increase within a 12 month period to 10 percent. |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval |
| | <u>Presenter:</u> | Rebecca Long |
| | Attachments: | 7b2_AB-1482_Chiu.pdf |
| 7b3. | <u>19-0512</u> | SB 18 (Skinner) - Keep Californians Housed Act |
| | | Authorizes a competitive grant program to be administered by Department of Housing and Community Development (HCD) to provide emergency rental assistance and legal aid for tenants facing eviction, meditation between landlords and tenants and legal education. |
| | <u>Action:</u> | Support / ABAG Executive Board Approval Support / MTC Commission Approval |
| | <u>Presenter:</u> | Rebecca Long |
| | <u>Attachments:</u> | 7b3 SB-18 Skinner.pdf |

c. California Housing Legislation: Production + Preservation Bills

7c1. <u>19-0508</u> SB 330 (Skinner): Housing Crisis Act of 2019

SB 330 is a wide reaching bill that aims to accelerate housing
development, provide project proponents more certainty and lower fees,
and reduce displacement of existing residents from substandard buildings.Action:Seek Amendments / ABAG Executive Board Approval
Seek Amendments / MTC Commission ApprovalPresenter:Rebecca LongAttachments:7c1_SB-330_Skinner.pdf

| 7c2. | <u>19-0479</u> | SB 50 (Wiener): Equitable Communities Incentives - Upzoning Near Transit & Jobs-Rich Areas & By Right Allowance for Small Residential Projects in Specified Areas |
|------|---------------------|--|
| | | SB 50 would allow varying degrees of higher-density multifamily housing to be built within ½-mile of transit stations, ¼-mile of high-quality bus corridors and in areas designated as "jobs-rich" by the Department of Housing and Community Development. The bill also provides for smaller, by-right residential development on vacant parcels in urbanized areas. |
| | <u>Action:</u> | Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval |
| | Presenter: | Rebecca Long |
| | <u>Attachments:</u> | 7c2_SB-50_Wiener.pdf |
| | | 7c2 Handout San Mateo Comments.pdf |
| 7c3. | <u>19-0480</u> | AB 1487 (Chiu): Housing Alliance for the Bay Area |
| | | AB 1487 (Chiu) would establish the Housing Alliance for the Bay Area (HABA) to increase funding for affordable housing in the nine-county region. The bill authorizes HABA to place on the ballot a series of revenue raising measures, subject to certain return to source provisions, to provide funding and technical assistance to local jurisdictions and affordable housing developers to help produce and preserve affordable housing and pay for tenant protection services. The bill provides that HABA would have the authority to buy and lease land for affordable housing purposes, but not the ability to purchase land by eminent domain or regulate or enforce local land use decisions. |
| | <u>Action:</u> | Seek Amendments / ABAG Executive Board Approval Seek Amendments / MTC Commission Approval |
| | <u>Presenter:</u> | Rebecca Long |
| | <u>Attachments:</u> | 7c3_AB-1487_Chiu.pdf |
| 7c4. | <u>19-0509</u> | AB 11 (Chiu): Community Redevelopment Law of 2019 |
| | | AB 11 would restore to cities and counties the option to form an entity that can use "tax-increment financing" to pay for affordable housing and other local infrastructure priorities, subject to approval of the Strategic Growth Council. |
| | <u>Action:</u> | Support and Seek Amendments / ABAG Executive Board Approval Support and Seek Amendments / MTC Commission Approval |
| | <u>Presenter:</u> | Rebecca Long |
| | Attachments: | 7c4 AB-11 Chiu rev.pdf |

| 7c5. | <u>19-0481</u> | SB 13 (Wieckowski): Accessory Dwelling Units |
|------|---------------------|--|
| | | SB 13 would revise ADU law to require that a local government allow studio and one-bedroom ADUs of at least 850 square feet and two-bedroom or more ADUs of up to 1,000 square feet, and would prohibit ADU owner-occupancy requirements. The bill would limit impact fees imposed by local governments, special districts or water corporations to 25 percent of the impact fees otherwise charged for a new single-family dwelling for ADUs 750 square feet or greater and would waive impact fees for ADUs less than 750 square feet. The bill would also limit to 60 days the time a local agency has to issue an ADU permit after receiving an application and create a 10-yeary amnesty program to incentivize owners of existing unpermitted ADUs to obtain the permits and inspections necessary to legalize the units. |
| | <u>Action:</u> | Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval |
| | <u>Presenter:</u> | Georgia Gann Dohrmann |
| | <u>Attachments:</u> | 7c5_SB-13_Wieckowski.pdf |
| 7c6. | <u>19-0482</u> | AB 1486 (Ting): Surplus Lands Act Expansion and Revision |
| | | AB 1486 would revise the Surplus Lands Act (SLA) - the state law that requires local agencies to prioritize affordable housing, as well as parks and open space, when disposing of land no longer necessary for the agency's use - and other state laws related to making surplus public land available for affordable housing development. |
| | <u>Action:</u> | Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval |
| | Presenter: | Georgia Gann Dohrmann |
| | <u>Attachments:</u> | 7c6 AB-1486 Ting.pdf |

8. Ad Hoc Committee

8a. <u>19-0484</u> Ad Hoc Committee

Delegate to the President of ABAG and Chair of MTC the authority to create an Ad Hoc committee, if necessary, to review any bills where substantive disagreement exists, with the objective of providing alternative recommendations to the ABAG Executive Board and MTC Commission.

Action: Approval / ABAG Legislation Committee Approval / MTC Legislation Committee

9. Public Comment / Other Business

10. Adjournment / Next Meeting

The next meeting of the MTC Legislation Committee will be Friday, June 14, 2019 9:15 a.m. the Bay Area Metro Center, 375 Beale Street, San Francisco, CA.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

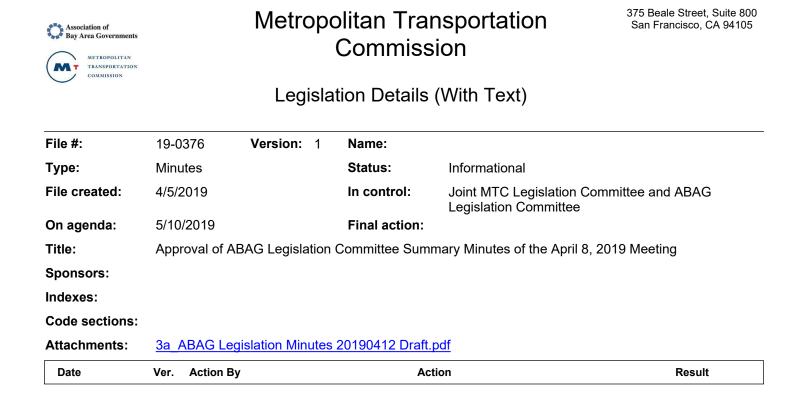
Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供 服務/方便。需要便利設施或翻譯協助者,請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們 要求您在三個工作日前告知,以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Subject:

Approval of ABAG Legislation Committee Summary Minutes of the April 8, 2019 Meeting

Recommended Action:

ABAG Legislation Committee Approval

Attachments:

Agenda Item 3a

ABAG

375 Beale Street Suite 700 San Francisco, California 94105

Meeting Minutes - Draft

ABAG Legislation Committee

| | Chair, Julie Pierce, Vice Mayor, City of Clayton Vice Chair, Belia Ramos, Supervisor, County of Napa | | |
|------------------------|---|------------------------|--|
| Friday, April 12, 2019 | 9:15 AM | Board Room - 1st Floor | |
| | Association of Bay Area Governments Legislation Committee | | |

The ABAG Legislation Committee may act on any item on the agenda. The ABAG Legislation Committee will meet jointly with the MTC Legislation Committee. The meeting is scheduled to begin at 9:15 a.m., or immediately following the preceding committee meeting. Agenda, roster, and webcast available at http://abag.ca.gov For information, contact Clerk of the Board at (415) 820-7913.

> Legislation Committee Roster Julie Pierce, Councilmember, City of Clayton—Chair Belia Ramos, Supervisor, County of Napa—Vice Chair Jesse Arreguin, Mayor, City of Berkeley David Cortese, Supervisor, County of Santa Clara Pat Eklund, Councilmember, City of Novato Scott Haggerty, Supervisor, County of Alameda Dave Hudson, Councilmember, City of San Ramon Karen Mitchoff, Supervisor, County of Contra Costa David Rabbitt, Supervisor, County of Sonoma

1. Call to Order / Pledge of Allegiance / Roll Call / Confirm Quorum

Chair Pierce called the meeting to order at about 9:31 a.m. Quorum was present.

Present: 8 - Cortese, Eklund, Haggerty, Hudson, Mitchoff, Pierce, Rabbitt, and Ramos

Absent: 1 - Arreguin

2. ABAG Compensation Announcement - ABAG Clerk of the Board

The Clerk gave the ABAG compensation announcement.

3. ABAG Legislation Committee Consent Calendar

Upon the motion by Mitchoff and second by Hudson, the ABAG Legislation Committee approved the consent calendar. The motion passed unanimously by the following vote:

- Aye: 6 Cortese, Haggerty, Hudson, Mitchoff, Pierce, and Rabbitt
- Absent: 3 Arreguin, Eklund, and Ramos
- **3.a.** <u>19-0384</u> Approval of ABAG Legislation Committee Summary Minutes of the March 21, 2019 Meeting

4. ABAG Legislation Committee Approval

4.a. <u>19-0385</u> AB 393 (Nazarian): Building Standards

This bill would require the California Building Standards Commission, to assemble a functional recovery working group to consider whether a "functional recovery" standard is warranted for all or some building occupancy classifications, using specified criteria, and to investigate the practical means of implementing that standard, as specified.

Upon the motion by Hudson and second by Mitchoff, the ABAG Legislation Committee recommended Executive Board support of AB 393. The motion passed unanimously by the following vote:

- Aye: 6 Cortese, Haggerty, Hudson, Mitchoff, Pierce, and Rabbitt
- Absent: 3 Arreguin, Eklund, and Ramos
- **4.b.** <u>19-0386</u> AB 429 (Nazarian): Seismically Vulnerable Buildings Inventory

This bill would require the Alfred E. Alquist Seismic Safety Commission, by specified deadlines, to identify funding and develop a bidding process for hiring a third-party contractor to create an inventory of potentially vulnerable buildings, as defined. The bill would require the third-party contractor, in conjunction with the commission, by July 1, 2022, to develop a statewide inventory of potentially seismically vulnerable buildings in 29 specified counties in California using information developed by local jurisdictions pursuant to the above-described provisions.

Eklund joined the meeting.

Upon the motion by Rabbitt and second by Cortese, the ABAG Legislation Committee recommended Executive Board support of AB 429. The motion passed unanimously by the following vote:

Aye: 7 - Cortese, Eklund, Haggerty, Hudson, Mitchoff, Pierce, and Rabbitt

Absent: 2 - Arreguin, and Ramos

4.c. <u>19-0387</u> SB 254 (Hertzberg): The Resilient Homes Initiative

This bill would limit the amount of the investment grade revenue bonds or other debt financing to an amount up to \$1 billion outstanding at any time, excluding those specified costs.

Ramos joined the meeting.

Upon the motion by Hudson and second by Rabbitt, the ABAG Legislation Committee recommended Executive Board support and seek amendments on SB 254. The motion passed unanimously by the following vote:

Aye: 8 - Cortese, Eklund, Haggerty, Hudson, Mitchoff, Pierce, Rabbitt, and Ramos

Absent: 1 - Arreguin

5. MTC Legislation Committee Consent Calendar

The MTC Legislation Committee took action on this item.

- **5.a.** <u>19-0388</u> Approval of MTC Legislation Committee Minutes of the March 8, 2019 Meeting
- 5.b. <u>19-0389</u> MTC Resolution No. 3931, Revised Policy Advisory Council Appointment

6. Legislative History

The ABAG Legislation Committee and the MTC Legislation Committee received the staff report.

6.a. <u>19-0390</u> Legislative History

Detailed list of bills the Commission is tracking in Sacramento and Washington D.C., including those ABAG or MTC supports or opposes.

7. State Legislation

7.a. <u>19-0391</u> SB 152 (Beall): Active Transportation Program Reform

Update on this MTC-sponsored bill to improve administration of the state's bicycle and pedestrian funding program and recommend ABAG adopt a support position.

The MTC Legislation Committee took action on this item.

Upon the motion by Mitchoff and second by Hudson, the ABAG Legislation Committee recommended Executive Board support on SB 152. The motion passed unanimously by the following vote:

Aye: 8 - Cortese, Eklund, Haggerty, Hudson, Mitchoff, Pierce, Rabbitt, and Ramos

Absent: 1 - Arreguin

7.b. <u>19-0392</u> State Housing Legislative Landscape

Overview and update on the latest developments of bills related to the state's housing crisis and a report to the committee regarding the discussion at the first meeting of the Housing Legislative Working Group.

The ABAG Legislation Committee and the MTC Legislation Committee received the staff report.

8. Federal Legislation

The ABAG Legislation Committee and the MTC Legislation Committee received the staff report.

8.a. <u>19-0393</u> Tom Bulger's Report

Report from Washington, D.C. advocate.

9. Public Comment / Other Business

There was no public comment.

10. Adjournment / Next Meeting

Chair Pierce adjourned the ABAG Legislation Committee at about 11:27 a.m. The next special meeting of the ABAG Legislation Committee is on May 10, 2019.

| Association of Bay Area Governments METROPOLITAN TRANSPORTATION COMMISSION | Metropolitan Transportation375 Beale Street, Suite 800 San Francisco, CA 94105Commission | | | | | |
|--|---|--------------|------|----------------|---|------------------|
| | | Legi | sla | tion Details | (With Text) | |
| File #: | 19-0377 | Version: | 1 | Name: | | |
| Туре: | Minutes | | | Status: | Consent | |
| File created: | 4/5/2019 | | | In control: | Joint MTC Legislation Co Legislation Committee | mmittee and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | | |
| Title: | Approval of M | TC Legislati | on C | ommittee Minut | es of the April 8, 2019 Meeti | ng |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>4a MTC LEG</u> | IS Minutes | Apr | 12 2019.pdf | | |
| Date | Ver. Action B | / | | A | ction | Result |

Subject:

Approval of MTC Legislation Committee Minutes of the April 8, 2019 Meeting

Recommended Action:

MTC Legislation Committee Approval

Attachments:

TRANSPORTATION

COMMISSION

Meeting Minutes - Draft

Joint MTC Legislation Committee and ABAG Legislation Committee

| Eriday April 12, 2019 | 9:15 AM | Deand Deam dat Flaar |
|------------------------|------------|------------------------|
| Friday, April 12, 2019 | 9. 15 Alvi | Board Room - 1st Floor |

1. Roll Call / Confirm Quorum

Present: 8 - Commissioner Connolly, Commissioner Cortese, Commissioner Halsted, Vice Chair Liccardo, Chair Mackenzie, Commissioner Rabbitt, Commissioner Slocum and Commissioner Spering

Non-Voting Members Present: Commissioner Giacopini and Commissioner Jackson Ex Officio Voting Members Present: Commission Chair Haggerty and Commission Vice Chair Pedroza Ad Hoc Non-Voting Members Present: Commissioner Josefowitz and Commissioner Worth

ABAG Legislation Committee Members Present: Cortese, Eklund, Haggerty, Hudson, Mitchoff, Pierce, Rabbitt, and Ramos.

2. ABAG Compensation Announcement - Clerk of the Board

3. ABAG Legislation Committee Consent Calendar

3a.<u>19-0241</u>Approval of ABAG Legislation Committee Summary Minutes of the March
21, 2019 Meeting

Action: ABAG Legislation Committee Approval

Attachments: 3a ABAG Legislation Minutes 20190321.pdf

4. ABAG Legislation Committee Approval

4a. <u>19-0351</u> AB 393 (Nazarian): Building Standards

This bill would require the California Building Standards Commission, to assemble a functional recovery working group to consider whether a "functional recovery" standard is warranted for all or some building occupancy classifications, using specified criteria, and to investigate the practical means of implementing that standard, as specified.

Action: Support / ABAG Executive Board Approval

Presenter: Rebecca Long

Attachments: 4a Quake AB393.pdf

4b. <u>19-0352</u> AB 429 (Nazarian): Seismically Vulnerable Buildings Inventory

This bill would require the Alfred E. Alquist Seismic Safety Commission, by specified deadlines, to identify funding and develop a bidding process for hiring a third-party contractor to create an inventory of potentially vulnerable buildings, as defined. The bill would require the third-party contractor, in conjunction with the commission, by July 1, 2022, to develop a statewide inventory of potentially seismically vulnerable buildings in 29 specified counties in California using information developed by local jurisdictions pursuant to the above-described provisions.

Action: Support / ABAG Executive Board Approval

Presenter: Rebecca Long

Attachments: 4b Quake AB429.pdf

4c. <u>19-0353</u> SB 254 (Hertzberg): The Resilient Homes Initiative

This bill would limit the amount of the investment grade revenue bonds or other debt financing to an amount up to \$1 billion outstanding at any time, excluding those specified costs.

<u>Action:</u> Support and Seek Amendments / ABAG Executive Board Approval

Attachments: 4c_Quake_SB254.pdf

5. MTC Legislation Committee Consent Calendar

Approval of the Consent Calendar

Upon the motion by Commissioner Connolly and second by Commissioner Halsted, the Consent Calendar was unanimously approved by the following vote:

- Aye: 8 Commissioner Connolly, Commissioner Cortese, Commissioner Halsted, Vice Chair Liccardo, Chair Mackenzie, Commissioner Rabbitt, Commissioner Slocum and Commissioner Spering
- **5a.** <u>19-0242</u> Approval of MTC Legislation Committee Minutes of the March 8, 2019 Meeting

Action: MTC Legislation Committee Approval

Attachments: 5a_MTC LEGIS_Minutes_Mar 8 2019.pdf

 5b.
 19-0349
 MTC Resolution No. 3931, Revised - Policy Advisory Council Appointment

 Action:
 MTC Commission Approval

Presenter: Ellen Griffin

Attachments: 5b PolicyAdvisoryCouncil Reso 3931 Revised.pdf

6. Information

6a. <u>19-0243</u> Legislative History

Detailed list of bills the Commission is tracking in Sacramento and Washington D.C., including those ABAG or MTC supports or opposes.

Action: Information

Presenter: Rebecca Long

Attachments: 6a_APR_LegisHistory_State and Federal.pdf

7. State Legislation

 7a.
 <u>19-0347</u>
 SB 152 (Beall): Active Transportation Program Reform

Update on this MTC-sponsored bill to improve administration of the state's bicycle and pedestrian funding program and recommend ABAG adopt a support position.

- Action: Support / ABAG Executive Board Approval Support / MTC Commission Approval
- Presenter: Rebecca Long
- Attachments: 7a SB 152 Beall.pdf

Upon the motion by Commissioner Spering and second by Commissioner Connolly, a support position on SB 152 (Beall) was adopted to be forwarded to the Commission for approval. The motion carried by the following vote:

- Aye: 8 Commissioner Connolly, Commissioner Cortese, Commissioner Halsted, Vice Chair Liccardo, Chair Mackenzie, Commissioner Rabbitt, Commissioner Slocum and Commissioner Spering
- 7b.<u>19-0348</u>State Housing Legislative Landscape

Overview and update on the latest developments of bills related to the state's housing crisis and a report to the committee regarding the discussion at the first meeting of the Housing Legislative Working Group.

- Action: Information
- Presenter: Rebecca Long
- <u>Attachments:</u> 7b_State Housing Landscape.pdf 7b Handout 2019 California Housing Bill Matrix.pdf

Ken Bukowski was called to speak.

8. Federal Legislation

8a. <u>19-0244</u> Tom Bulger's Report

Report from Washington, D.C. advocate. <u>Action:</u> Information

Presenter: Georgia Gann Dohrmann

Attachments: 8a Tom Bulger's DC Report_Mar_2019.pdf

9. Public Comment / Other Business

10. Adjournment / Next Meeting

The next meeting of the MTC Legislation Committee will be Friday, May 10, 2019 10:10 a.m. the Bay Area Metro Center, 375 Beale Street, San Francisco, CA.



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0378 | Version: | 1 | Name: | | |
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| Title: | Legislative H | listory | | | | |
| | | etailed list of bills the Commission is tracking in Sacramento and Washington D.C., including those BAG or MTC supports or opposes. | | | | |
| Sponsors: | | | | • | n Sacramento and Washington D.C., including those | |
| Sponsors: Indexes: | | | | • | n Sacramento and Washington D.C., including those | |
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Subject:

Legislative History

Detailed list of bills the Commission is tracking in Sacramento and Washington D.C., including those ABAG or MTC supports or opposes.

Presenter:

Rebecca Long

Recommended Action: Information

Attachments:



METROPOLITAN

TRANSPORTATION

COMMISSION



| Bill Number | Current Text | Status | Summary | MTC Position | ABAG Position |
|-----------------------------|----------------------|-------------------------|--|--------------|------------------|
| AB 10 Chiu | Amended 4/30/2019 | Assembly Appropriations | Income taxes: credits low-income housing: farmworker housing. Would, under the law governing the taxation of insurers, the Personal Income Tax Law, and the Corporation Tax Law, for the 2020 to 2024 calendar years, inclusive, would increase the aggregate housing credit dollar amount that may be allocated among low-income housing projects by an additional \$500,000,000, as specified, and would allocate to farmworker housing projects \$25,000,000 per year of that amount. The bill, under those laws, would modify the definition of applicable percentage relating to qualified low- income buildings to depend on whether the building is a new or existing building and federally subsidized, or a building that is, among other things, at least 15 years old, serving households of very low income or extremely low income, and will complete substantial rehabilitation, as specified. | | |
| <u>AB 11</u> <u>Chiu</u> | Amended 4/11/2019 | Assembly Appropriations | Community Redevelopment Law of 2019. Current law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Community Redevelopment Law of 2019, would authorize a city or county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined. | | |

| AB 36 Bloom | Amended 4/22/2019 | Assembly Rules | Residential tenancies: rent control. The Costa-Hawkins Rental Housing Act prescribes statewide limits on the application of local rent control with regard to certain properties. This bill would modify those provisions to authorize an owner of residential real property to establish the initial and all subsequent rental rates for a dwelling or unit that has been issued its first certificate of occupancy within 20 years of the date upon which the owner seeks to establish the initial or subsequent rental rate, or for a dwelling or unit that is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision and the owner is a natural person who owns 10 or fewer residential units within the same jurisdiction as the dwelling or unit for which the owner seeks to establish the initial or subsequent rental rate, subject to certain exceptions. | | |
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| <u>AB 68</u> <u>Ting</u> | Amended 4/3/2019 | Assembly Appropriations Suspense File | Land use: accessory dwelling units. The Planning and Zoning Law authorizes a local agency to provide, by ordinance, for the creation of accessory dwelling units in single-family and multifamily residential zones and sets forth required ordinance standards, including, among others, lot coverage. This bill would delete the provision authorizing the imposition of standards on lot coverage and would prohibit an ordinance from imposing requirements on minimum lot size. | | |
| <u>AB 69</u> <u>Ting</u> | Amended 4/4/2019 | Assembly Appropriations Suspense File | Land use: accessory dwelling units. Current law requires the Department of Housing and Community Development to propose building standards to the California Building Standards Commission, and to adopt, amend, or repeal rules and regulations governing, among other things, apartment houses and dwellings, as specified. This bill would require the department to propose small home building standards governing accessory dwelling units smaller than 800 square feet, junior accessory dwelling units, and detached dwelling units smaller than 800 square feet, as specified, and to submit the small home building standards to the California Building Standards Commission for adoption on or before January 1, 2021. | | |
| AB 147 <u>Burke</u> | Chaptered 4/25/2019 | Assembly Chaptered | Use taxes: collection: retailer engaged in business in this state: marketplace facilitators. Would specify that, on and after April 1, 2019, a retailer engaged in business in this state includes any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property for delivery in this state by the retailer and all persons related to the retailer that exceed \$500,000. The bill would allow the California Department of Tax and Fee Administration to grant relief to certain retailers engaged in business in this state for specified interest or penalties imposed on use tax liabilities due and payable for tax reporting periods beginning April 1, 2019 and ending December 31, 2022. | Support | Support |

| AB 148 Quirk-Silva | Introduced 12/14/2018 | Assembly 2 year | Regional transportation plans: sustainable communities strategies. Current law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. Current law requires the regional transportation plan to include, if the transportation planning agency is also a metropolitan planning organization, a sustainable communities strategy. This bill would require each sustainable communities strategy to identify areas within the region sufficient to house an 8- year projection of the emergency shelter needs for the region, as specified. | | |
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| AB 185 Grayson | Introduced 1/10/2019 | Assembly Consent Calendar | California Transportation Commission: transportation policies: joint meetings. Current law creates the California Transportation Commission, with various powers and duties relative to the programming of transportation capital projects and allocation of funds to those projects pursuant to the state transportation improvement program and various other transportation funding programs. Existing law requires the commission and the State Air Resources Board to hold at least 2 joint meetings per calendar year to coordinate their implementation of transportation policies. This bill would require the Department of Housing and Community Development to participate in those joint meetings. | | |
| <u>AB 252</u> <u>Daly</u> | Introduced 1/23/2019 | Assembly Appropriations | Department of Transportation: environmental review process: federal program. Current federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery program, under which the participating states may assume certain responsibilities for environmental review and clearance of transportation projects that would otherwise be the responsibility of the federal government. Current law, until January 1, 2020, provides that the State of California consents to the jurisdiction of the federal courts with regard to the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the program. This bill would extend the operation of these provisions indefinitely. | Support | Support |
| <u>AB 352</u> <u>Garcia,</u> <u>Eduardo</u> | Amended 3/14/2019 | Assembly Appropriations Suspense File | California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment plan: Transformative Climate Communities Program. Would, beginning July 1, 2020, would require state agencies administering competitive grant programs that allocate moneys from the Greenhouse Gas Reduction Fund to give specified communities preferential points during grant application scoring for programs intended to improve air quality, to include a specified application timeline, to allow applicants from the Counties of Imperial and San Diego to include daytime population numbers in grant applications, and to prohibit grant eligibility and scoring criteria from precluding low-income communities, as defined, from applying for or being awarded a grant. | | |

| AB 393 Nazarian | Amended 3/21/2019 | Assembly Appropriations Suspense File | Building codes: earthquake safety: functional recovery standard. Would require the California Building Standards Commission, by June 30, 2020, to assemble a functional recovery working group comprised of certain state entities and members of the construction and insurance industries, as specified. The bill would require the working group, by June 30, 2021, to consider whether a "functional recovery" standard is warranted for all or some building occupancy classifications, using specified criteria, and to investigate the practical means of implementing that standard, as specified. The bill would require the working group to advise the appropriate state agencies to propose the building standards, as specified. | |
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| AB 421 Waldron | Introduced 2/7/2019 | Assembly 2 year | Transportation finance: De Luz Community Services District. With respect to the portion of revenues that is derived from increases in the motor vehicle fuel excise tax beginning in 2010, current law requires, after certain allocations are made, the Controller to allocate the remaining amount of this portion of revenues 44% to the state transportation improvement program, 12% to the State Highway Operation and Protection Program, and 44% to cities and counties for local street and road purposes. This bill would require the Controller to allocate a portion of these revenues available for counties to the De Luz Community Services District for local street and road purposes as though the De Luz Community Services District were a county. The bill would thereby make an appropriation. | |
| AB 429 Nazarian | Amended 3/20/2019 | Assembly Appropriations Suspense File | Seismically vulnerable buildings: inventory. Current law establishes a program within all cities and all counties and portions thereof located within seismic zone 4, as defined, to identify all potentially hazardous buildings and to establish a mitigation program for these buildings. This bill would require the Alfred E. Alquist Seismic Safety Commission, by specified deadlines, to identify funding and develop a bidding process for hiring a third-party contractor to create an inventory of potentially vulnerable buildings, as defined. The bill would require the third-party contractor, in conjunction with the commission, by July 1, 2022, to develop a statewide inventory of potentially seismically vulnerable buildings in 29 specified counties in California using information developed by local jurisdictions pursuant to the above-described provisions. | |

| AB 587 Friedman | Amended 4/22/2019 | Senate Desk | Accessory dwelling units: sale or separate conveyance. Current property tax law establishes a welfare exemption under which property is exempt from taxation if the property is owned and operated by a nonprofit corporation that is organized and operated for the purpose of building and rehabilitating single-family or multifamily residences for sale, as provided, at cost to low-income families. This bill would authorize a local agency to allow, by ordinance, an accessory dwelling unit that was created pursuant to the process described above to be sold or conveyed separately from the primary residence to a qualified buyer if certain conditions are met. | |
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| AB 659 Mullin | Introduced 2/15/2019 | Assembly Appropriations Suspense File | Transportation: emerging transportation technologies: California Smart City Challenge Grant Program. Would establish the California Smart City Challenge Grant Program to enable municipalities to compete for grant funding for emerging transportation technologies to serve their transportation system needs, and would specify certain program goals. The bill would require the commission to form the California Smart City Challenge Workgroup on or before July 1, 2020, to guide the commission on program matters, as specified. The bill would require the commission, in consultation with the workgroup, to develop guidelines on or before March 1, 2021, for the program, which would not be subject to the Administrative Procedure Act, and would authorize the commission to revise them as necessary. | |
| AB 671 Friedman | Amended 3/26/2019 | Assembly Appropriations | Accessory dwelling units: incentives. Would require a local agency to include a plan that incentivizes and promotes the creation of accessory dwelling units that can be offered at affordable rent for very low, low-, and moderate-income households in its housing element. The bill would require the Department of Housing and Community Development to develop a list of existing state grants and financial incentives for operating, administrative, and other expenses in connection with the planning, construction, and operation of accessory dwelling units with affordable rent, as specified. | |
| <u>AB 724</u> <u>Wicks</u> | Amended 4/25/2019 | Assembly Appropriations | Rental property data registry. Would require the Department of Housing and Community Development to create a rental registry online portal, which would be designed to receive specified information from landlords regarding their residential tenancies and to disseminate this information to the general public. The bill would require the department to complete the rental registry online portal, the form necessary to support it, by January 1, 2021, and would require landlords who own or operate property that includes more than 15 dwelling units to register within 90 days and annually thereafter. | |

| <u>AB 725</u> <u>Wicks</u> | Amended 4/2/2019 | Assembly 2 year | General plans: housing element: above moderate-income housing: suburban and metropolitan jurisdictions. The Planning and Zoning Law requires that the housing element include, among other things, an inventory of land suitable for residential development, to be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need determined pursuant to specified law. This bill would prohibit more than 20% of a suburban or metropolitan jurisdiction's share of the regional housing need for above moderate-income housing from being allocated to sites with zoning restricted to single-family development. | |
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| AB 784 Mullin | Amended 4/9/2019 | Assembly Appropriations | Sales and use taxes: exemption: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit bus vehicles. Current state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes.This bill would, until January 1, 2024, provide an exemption from those taxes with respect to the sale of, and the storage and use of, or other consumption in this state of, specified zero-emission technology medium- and heavy-duty transit bus vehicles. | |
| AB 821 O'Donnell | Introduced 2/20/2019 | Assembly 2 year | Transportation: Trade Corridor Enhancement Account: project nomination: California Port Efficiency Program. Current law creates the Trade Corridor Enhancement Account to receive revenues attributable to 50% of a \$0.20 per gallon increase in the diesel fuel excise tax imposed by the Road Repair and Accountability Act of 2017 for corridor-based freight projects nominated by local agencies and the state. Current law makes these funds and certain federal funds apportioned to the state available upon appropriation for allocation by the California Transportation Commission for trade infrastructure improvement projects that meet specified requirements. This bill would require the commission to allocated to projects nominated by the department to projects nominated pursuant to the California Port Efficiency Program, which this bill would create | |
| AB 847 Grayson | Amended 3/27/2019 | Assembly 2 year | Housing: transportation-related impact fees grant program. Would require the Department of Housing and Community Development, upon appropriation by the Legislature, to establish a competitive grant program to award grants to cities and counties to offset up to 100% of any transportation-related impact fees exacted upon a qualifying housing development project, as defined, by the local jurisdiction. | |

| AB 881 Bloom | Amended 4/11/2019 | Assembly Third Reading | Accessory dwelling units. The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. Curent law requires the ordinance to designate areas where accessory dwelling units may be permitted and authorizes the designated areas to be based on criteria that includes, but is not limited to, the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. This bill would instead require a local agency to designate these areas based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. | |
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| AB 923 Wicks | Introduced 2/20/2019 | Senate Desk | Bay Area Rapid Transit District: electricity procurement and delivery. Would authorize BART to elect to obtain electricity purchased from an electrical corporation or marketer, as defined, and electricity purchased through a market operated by the Independent System Operator or any other electricity market. | |
| AB 931 Boerner Horvath | Amended 4/22/2019 | Assembly Appropriations Suspense File | Local boards and commissions: representation: appointments. Current law establishes the policy of the Legislature to ensure equal access to specific information about the many local regulating and advisory boards, commissions, and committees and to ensure equal opportunity to be informed of vacancies on those boards. Current law requires each legislative body of a local agency to prepare an appointments list of all regular and ongoing boards, commissions, and committees that are appointed by the legislative body of the local agency. This bill, on and after January 1, 2030, would require the composition of a local board and commission of a city with a population of 50,000 or greater with appointed members to have a specified minimum number of women board members or commissioners based on the total number of board members or commissioners on that board, thereby imposing a state-mandated local program. | |
| <u>AB 961</u> <u>Reyes</u> | Amended 4/23/2019 | Assembly Appropriations | Energy programs and projects: nonenergy benefits. Would require the Public Utilities Commission to (1) establish common definitions of nonenergy benefits and attempt to determine consistent values for use in all distributed energy resource programs, (2) meaningfully consider producing nonenergy benefits in distributed energy resource programs and projects, (3) incorporate nonenergy benefits in distributed energy benefits in environmental and social justice communities, as defined, and (4) track the nonenergy benefits produced in distributed energy resource programs and report those benefits during program evaluations. | |

| <u>AB 970</u> <u>Salas</u> | Amended 4/12/2019 | Assembly Appropriations | California Department of Aging: grants: transportation. Would require the California Department of Aging to administer a grant program to receive applications from eligible applicants, including, but not limited to, area agencies on aging and public transit operators, to fund transportation to and from nonemergency medical services for older individuals and persons with a disability, for the purpose of reducing greenhouse gas emissions. The bill would require that transportation be made available using the purchase, lease, operation, or maintenance of zero-emission or near- zero-emission vehicles with a capacity for 7, 12, or 15 passengers. | |
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| <u>AB 983</u> <u>Boerner</u> <u>Horvath</u> | Introduced 2/21/2019 | Assembly 2 year | Transportation electrification. Would require an electrical corporation to work with local agencies or regional planning agencies in its service territory with responsibility for planning electric vehicle deployment to determine where to install new electrical charging stations along local transit corridors. The bill would authorize an electrical corporation to file an application with the PUC by December 31, 2020, with the support of the local or regional planning agency, for the infrastructure investments required to support electrical charging stations at transit corridor entry and exit points or other locations. | |
| <u>AB 992</u> <u>Mullin</u> | Amended 4/22/2019 | Assembly 2 year | Open meetings: local agencies: social media. The Ralph M. Brown Act generally requires that the meetings of legislative bodies of local agencies be conducted openly. That act defines "meeting" for purposes of the act and prohibits a majority of the members of a legislative body, outside a meeting authorized by the act, from using a series of communications of any kind to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. This bill would provide that the prohibition described above does not apply to the participation, as defined, in an internet-based social media platform, as defined, by a majority of the members of a legislative body, provided that a majority of the members do not discuss among themselves, as defined, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency. | |
| AB 1017 Boerner Horvath | Amended 4/23/2019 | Assembly Consent Calendar | New or modified railroad crossings: approval. Would require the The Public Utilities Commission, if a city or county develops and adopts, by resolution upon a majority vote of the city council or the board of supervisors, a plan to improve mobility for multimodal access that calls for new or modified railroad crossings, to make an engineer available from the Rail Crossings and Engineering Branch to assist and advise that city or county on the safety of the planned railroad crossings prior to the filing of an application to the commission for the approval of the new or modified railroad crossings. | |

| <u>АВ 1035</u> <u>Мауеs</u> | Amended 4/22/2019 | Assembly Second Reading | Personal information: data breaches. Would require a person or business, as defined, that owns or licenses computerized data that includes personal information to disclose a breach of the security of the system in the most expedient time possible and without unreasonable delay, but in no case more than 45 days, following discovery or notification of the breach, subject to the legitimate needs of law enforcement, as provided. The bill would make other conforming changes. | |
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| AB 1112 Friedman | Amended 4/8/2019 | Assembly Second Reading | Motorized scooters: local regulation. Would authorize a local authority to regulate motorized scooters by, among other things, assessing limited penalties for moving or parking violations involving the use of motorized scooters. The bill would prohibit a local authority from subjecting the riders of shared scooters to requirements more restrictive than those applicable to riders of privately owned motorized scooters or bicycles. The bill would authorize a local authority to regulate scooter share operators by, among other things, requiring a scooter share operator to pay fees that do not exceed the reasonable cost to the local authority of regulating the scooter share operator. | |
| AB 1142 Friedman | Amended 4/1/2019 | Senate Transportation | Regional transportation plans. Current law requires a regional transportation plan to include a policy element, an action element, a financial element, and, if the transportation planning agency is also a metropolitan planning organization, a sustainable communities strategy. Under current law, the policy element describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, as well as pragmatic objective and policy statements. Current law authorizes the policy element of transportation planning agencies with populations that exceed 200,000 persons to quantify a set of specified indicators. This bill would authorize the inclusion of an additional indicator regarding measures of policies to increase use of existing transit. | |
| AB 1243 Fong | Amended 4/3/2019 | Assembly Transportation | Traffic Relief and Road Improvement Act.Would create theTraffic Relief and Road Improvement Program to addresstraffic congestion and deferred maintenance on the statehighway system and the local street and road system.thebill would provide for the deposit of various existing sourcesof revenue in the Traffic Relief and Road ImprovementAccount, which the bill would create in the StateTransportation Fund, including revenues attributable to thesales and use tax on motor vehicles, revenues attributable toautomobile and motor vehicle insurance policies from theinsurer gross premiums tax, and certain miscellaneous StateHighway Account revenues. | |

| AB 1255 Rivas, Robert | Amended 4/11/2019 | Assembly Appropriations Suspense File | Surplus public land: database. The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. That law requires the housing element to contain an inventory of land suitable for residential development, as defined, and requires that inventory to be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels. This bill would also require the housing element to contain an inventory of land owned by the city or county that is in excess of its foreseeable needs. | |
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| AB 1277 Obernolte | Amended 3/19/2019 | Assembly 2 year | Transportation projects: oversight committees. Would require a public agency administering a megaproject, which the bill would define as a transportation project with total estimated development and construction costs exceeding \$1,000,000,000, to take specified actions to manage the risks associated with the megaproject, including establishing a comprehensive risk management plan and regularly reassessing its reserves for potential claims and unknown risks. The bill would require a public agency administering a megaproject to establish a project oversight committee composed of specified individuals to review the megaproject and perform other specified duties. | |
| AB 1279 Bloom | Introduced 2/21/2019 | Assembly Appropriations | Planning and zoning: housing development: high-resource areas. Would require the department to designated areas in this state as high-resource areas, as provided, by January 1, 2021, and every 5 years thereafter. The bill would authorize a city or county to appeal the designation of an area within its jurisdiction as a high-resource area during that 5-year period. In any area designated as a high-resource area, the bill would require that a housing development project be a use by right, upon the request of a developer, in any high- resource area designated pursuant be a use by right in certain parts of the high-resource area if those projects meet specified requirements, including specified affordability requirements. For certain development projects where the initial sales price or initial rent exceeds the affordable housing cost or affordable rent to households with incomes equal to or less than 100% of the area median income, the bill would require the applicant agree to pay a fee equal to 10% of the difference between the actual initial sales price or initial rent and the sales price or rent that would be affordable, as provided. The bill would require the city or county to deposit the fee into a separate fund reserved for the construction or preservation of housing with an affordable housing cost or affordable rent to households with a household income less than 50% of the area median income. This bill contains other related provisions and other existing laws. | |

| AB 1350 Gonzalez | Amended 3/26/2019 | Assembly 2 year | Youth Transit Pass Pilot Program. Would create the Youth Transit Pass Pilot Program upon the appropriation of moneys from the Greenhouse Gas Reduction Fund by the Legislature, and would require the Department of Transportation to administer the program. The bill would require the department to award available moneys to eligible participants, as defined, to provide free transit passes to persons under the age of 25 through new or existing transit pass programs, as specified. | |
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| AB 1402 Petrie-Norris | Amended 3/26/2019 | Assembly 2 year | Active Transportation Program. Would require the Department of Transportation, instead of the California Transportation Commission, to award funds to projects in the statewide and small urban and rural region distribution categories and to adopt a program of projects for those distribution categories. The bill would require that 75% of available funds be awarded to MPO's in urban areas with populations greater than 200,000, in proportion to their relative share of the population, 15% to small urban and rural regions with populations of 200,000 or less, competitively awarded by the department to projects in those regions, and 10% to projects competitively awarded by the department, in consultation with the commission, on a statewide basis. | |
| <u>AB 1481</u> Bonta | Amended 4/23/2019 | Assembly Third Reading | Tenancy termination: just cause. Would, with certain exceptions, prohibit a lessor of residential property from terminating the lease without just cause, as defined, stated in the written notice to terminate. | |
| <u>AB 1482</u> <u>Chiu</u> | Amended 4/22/2019 | Assembly Appropriations | Tenancy: rent caps. Would prohibit an owner of residential real property from increasing the rental rate for that property in an amount that is greater than 5% plus the percentage change in the cost of living, as defined, more than the lowest rental rate in effect for the immediately preceding 12 months, subject to specified conditions. The bill would exempt from these provisions deed-restricted affordable housing, dormitories, and housing subject to a local ordinance that imposes a more restrictive rent increase cap than these provisions. | |
| AB 1483 Grayson | Amended 4/29/2019 | Assembly Appropriations | Housing data: collection and reporting. The Planning and Zoning Law requires the planning agency of a city or county to provide by April 1 of each year an annual report to, among other entities, the Department of Housing and Community Development (department) that includes, among other specified information, the number of net new units of housing that have been issued a completed entitlement, a building permit, or a certificate of occupancy, thus far in the housing element cycle, as provided. This bill would authorize the department to require a planning agency to include in that annual report specified additional information that this bill would require, as specified. | |

| AB 1484 Grayson | Amended 4/10/2019 | Assembly Appropriations | Mitigation Fee Act: housing developments. The Mitigation Fee Act requires a local agency that establishes, increases, or imposes a fee as a condition of approval of a development project to, among other things, determine a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. This bill would require each city, county, or city and county to post on its internet website the type and amount of each fee imposed on a housing development project, as defined. | |
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| <u>AB 1485</u> <u>Wicks</u> | Amended 4/11/2019 | Assembly Third Reading | Housing development: streamlining. The Planning and Zoning Law requires that a development be subject to a requirement mandating a minimum percentage of below market rate housing based on one of 3 specified conditions. Current law requires, among those conditions, a development to dedicate a minimum of 10% of the total number of units to housing affordable to households making below 80% of the area median income, if the project contains more than 10 units of housing and the locality did not timely submit its latest production report to the Department of Housing and Community Development, or that production report reflects that there were fewer units of above moderate-income housing issued building permits than were required for the regional housing needs assessment cycle for that reporting period. This bill would modify that condition to authorize a development to instead dedicate 20% of the total number of units to housing affordable to households making below 120% of the area median income with the average income of the units at or below 100% of the area median income, except as provided. | |
| <u>AB 1486</u> <u>Ting</u> | Amended 4/11/2019 | Assembly Appropriations | Local agencies: surplus land. Current law prescribes requirements for the disposal of surplus land by a local agency. Current law defines "local agency" for these purposes as every city, county, city and county, and district, including school districts of any kind or class, empowered to acquire and hold real property. This bill would expand the definition of "local agency" to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state and any instrumentality thereof that is empowered to acquire and hold real property, thereby requiring these entities to comply with these requirements for the disposal of surplus land. The bill would specify that the term "district" includes all districts within the state, and that this change is declaratory of existing law. | |

| AB 1487 Chiu | Amended 4/29/2019 | Assembly Appropriations | San Francisco Bay area: housing development: financing. Current law provides for the establishment of various special districts that may support and finance housing development, including affordable housing special beneficiary districts that are authorized to promote affordable housing development with certain property tax revenues that a city or county would otherwise be entitled to receive. This bill, the San Francisco Bay Area Regional Housing Finance Act, would establish the Housing Alliance for the Bay Area (hereafter the entity) and would state that the entity's purpose is to increase affordable housing in the San Francisco Bay area, as defined, by providing for enhanced funding and technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production. | |
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| AB 1543 Holden | Introduced 2/22/2019 | Assembly 2 year | Transportation funds: transit operators: fare revenues. Would require a fare paid pursuant to a reduced fare transit program to be counted as a full adult fare for purposes of calculating any required ratios of fare revenues to operating costs specified in the Transportation Development Act, except for purposes of providing information in a specified annual report to the Controller or providing information to the entity conducting a fiscal or performance audit pursuant to specified provisions. | |
| AB 1560 Friedman | Amended 4/11/2019 | Assembly Appropriations | California Environmental Quality Act: transportation: major transit stop. CEQA requires the Office of Planning and Research to prepare and propose guidelines for the implementation of CEQA by public agencies and the Secretary of the Natural Resources Agency to certify and adopt the guidelines. CEQA requires the office to propose revisions to the guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas to meet certain objectives. CEQA defines "transit priority area" as an area within 1/2 mile of a major transit stop. This bill would revise the definition of "major transit stop" to include a bus rapid transit station, as defined, with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods. | |

| AB 1568 McCarty | Amended 4/11/2019 | Assembly Appropriations | Housing law compliance: prohibition on applying for state grants. The Housing Element Law, prescribes requirements for the preparation of the housing element, including a requirement that a planning agency submit a draft of the element or draft amendment to the element to the Department of Housing and Community Development prior to the adoption of the element or amendment to the element. Current law requires the department to review the draft and report its written findings, as specified. Current law also requires the department, in its written findings, to determine whether the draft substantially complies with the Housing Element Law. This bill would authorize the city or county to submit evidence that the city or county is no longer in violation of state law to the department and to request the department to issue a finding that the city or county is no longer in violation of state law. | |
|-------------------------------|-------------------------|-------------------------|---|--|
| <u>AB 1605</u> <u>Ting</u> | Amended 4/10/2019 | Senate Desk | City and County of San Francisco: Crooked Street Reservation and Pricing Program. Would authorize the Board of Supervisors of the City and County of San Francisco by ordinance to conduct a reservation and pricing pilot program for vehicles that use the "Crooked Street," which the bill would define to mean the portion of Lombard Street located between Leavenworth Street and Hyde Street in the City and County of San Francisco. Before the board of supervisors adopts an ordinance to conduct the pilot program, the bill would require the board of supervisors to make certain findings and to conduct at least 2 public outreach meetings or hearings. | |
| AB 1633 Grayson | Introduced 2/22/2019 | Senate Desk | Regional transportation plans: traffic signal optimization plans. Would authorize each city located within the jurisdiction of MTC to develop and implement a traffic signal optimization plan intended to reduce greenhouse gases and particulate emissions and to reduce travel times, the number of stops, and fuel use. The bill would also require the Department of Transportation to coordinate with each city that develops a traffic signal optimization plan pursuant to these provisions to ensure that any traffic signals owned or operated by the department are adjusted and maintained in accordance with the plan. | |
| AB 1697 Grayson | Amended 5/1/2019 | Assembly Third Reading | Housing: tenancy termination: just cause. Would, with certain exceptions, prohibit a lessor of residential property, for a term not specified by the parties, in which the tenant has occupied the property for 10 months or more, from terminating the lease without just cause, stated in the written notice to terminate. | |

| <u>AB 1706</u> <u>Quirk</u> | Amended 3/26/2019 | Assembly 2 year | Housing development: incentives. Would, until January 1, 2035, provide specified financial incentives that ensure financial feasibility to a development proponent of a residential housing development in the 9-county San Francisco Bay area region that dedicates at least 20% of the development's housing units to households making no more than 150% of the area median income. The incentives provided to those developments include an exemption from the California Environmental Quality Act, a density bonus of 35%, a waiver of local parking requirements, and a waiver of physical building requirements imposed on development by the local agency, such as green building standards. | |
|--------------------------------|----------------------|-------------------------|---|--|
| AB 1717 Friedman | Amended 4/10/2019 | Assembly Appropriations | Transit-Oriented Affordable Housing Funding Program Act. Would establish the Transit-Oriented Affordable Housing Funding Program, to be administered by the California Housing Finance Agency (CalHFA). The bill would authorize the city council of a city, or the board of supervisors of a city and county, to participate in the program by enactment of an ordinance establishing a transit-oriented affordable housing district, as provided. | |
| <u>AB 1782</u> <u>Chau</u> | Amended 4/30/2019 | Assembly Appropriations | Automated license plate recognition information: usage and privacy policy. Current law authorizes the Department of the California Highway Patrol to share automatied license plate data with law enforcement agencies for specified purposes and requires both an ALPR operator and an ALPR end-user, as those terms are defined, to implement a usage and privacy policy regarding that ALPR information, as specified. Current law requires that the usage and privacy policy implemented by an ALPR operator and an ALPR end- user include the length of time ALPR information will be retained, and the process the ALPR operator and ALPR end- user will utilize to determine if and when to destroy retained ALPR information. This bill would delete the requirement that the usage and privacy policy implemented by an ALPR operator and an ALPR end-user include the retention and destruction information described above, and would instead require those usage and privacy policies to include a procedure to ensure the destruction of all nonanonymized ALPR information no more than 60 days from the date of collection, except as provided. | |

| ACA 1 Aguiar-Curry | Amended 3/18/2019 | Assembly Appropriations Suspense File | Local government financing: affordable housing and public infrastructure: voter approval. The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. | Support | Support |
|-----------------------|----------------------|--|---|-----------------------|-----------------------|
| SB 4 McGuire | Amended 4/10/2019 | Senate 2 year | Housing. Would authorize a development proponent of a neighborhood multifamily project or eligible transit-oriented development (TOD) project located on an eligible parcel to submit an application for a streamlined, ministerial approval process that is not subject to a conditional use permit. The bill would define a "neighborhood multifamily project" to mean a project to construct a multifamily unit of up to 2 residential dwelling units in a nonurban community, as defined, or up to 4 residential dwelling units in an urban community, as defined, that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019. | | |
| <u>SB 5</u> Beall | Amended 4/23/2019 | Senate Appropriations Suspense File | Affordable Housing and Community Development Investment Program. Would establish in state government the Affordable Housing and Community Development Investment Program, which would be administered by the Affordable Housing and Community Development Investment Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, transit village development district, or a combination of those entities, to apply to the Affordable Housing and Community Development Investment Committee to participate in the program and would authorize the committee to approve or deny plans for projects meeting specific criteria. | Support in Concept | Support in Concept |

| <u>SB 6</u> Beall | Amended 4/23/2019 | Senate Appropriations Suspense File | Residential development: available land. Would require the Department of Housing and Community Development to furnish the Department of General Services with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. The bill would require the Department of General Services to create a database of that information and information regarding state lands determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website. | |
|---|----------------------|--|--|--|
| <mark>SB 13</mark> <u>Wieckowski</u> | Amended 4/23/2019 | Senate Appropriations Suspense File | Accessory dwelling units. Would authorize the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling use. The bill would also revise the requirements for an accessory dwelling unit by providing that the accessory dwelling unit may be attached to, or located within, an attached garage, storage area, or other structure, and that it does not exceed a specified amount of total floor area. | |
| <u>SB 18</u> <u>Skinner</u> | Amended 4/30/2019 | Senate Appropriations | Keep Californians Housed Act. Current law establishes the Department of Consumer Affairs (DCA) under the control of a civil executive officer known as the Director of Consumer Affairs. Current law requires, among other things, that the director provide for the establishment of a comprehensive library of books, documents, studies, and other materials relating to consumers and consumer problems. This bill, no later than January 1, 2021, would require DCA to publish on its internet website, and to biannually update, a guide to all state laws pertaining to landlords and the landlord-tenant relationship. | |
| <u>SB 50</u> <u>Wiener</u> | Amended 5/1/2019 | Senate Appropriations | Planning and zoning: housing development: incentives. Would authorize a development proponent of a neighborhood multifamily project located on an eligible parcel to submit an application for a streamlined, ministerial approval process that is not subject to a conditional use permit. The bill would define a "neighborhood multifamily project" to mean a project to construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure, consisting of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019. | |

| SB 59 Allen | Amended 4/1/2019 | Senate Appropriations | Autonomous vehicle technology: Statewide policy. Would establish certain guiding principles relating to autonomous vehicles in order to ensure that these vehicles support the state's efforts to, among other things, reduce greenhouse gas emissions and encourage efficient land use. The bill would require the Office of Planning and Research, in coordination with the State Air Resources Board, to convene an autonomous vehicle interagency working group of specified state agencies, including, among others, the Transportation Agency, the Department of Transportation, and the Department of Motor Vehicles, to guide policy development for autonomous vehicle technology consistent with the statewide principles as specified. | | |
|--------------------------------|----------------------|---------------------------|--|---------|---------|
| <u>SB 127</u> <u>Wiener</u> | Amended 4/30/2019 | Senate Appropriations | Transportation funding: active transportation: complete streets. Would establish a Division of Active Transportation within the Department of Transportation and require that an undersecretary of the Transportation Agency be assigned to give attention to active transportation program matters to guide progress toward meeting the department's active transportation program goals and objectives. The bill would require the California Transportation Commission to give high priority to increasing safety for pedestrians and bicyclists and to the implementation of bicycle and pedestrian facilities. | | |
| <u>SB 128</u> Beall | Amended 3/21/2019 | Assembly Local Government | Enhanced infrastructure financing districts: bonds: issuance. Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district, with a governing body referred to as a public financing authority, to finance public capital facilities or other specified projects of communitywide significance. Current law requires a public financing authority to adopt an infrastructure financing plan and hold a public hearing on the plan, as specified. Current law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters voting on a proposal to issue the bonds. Current law requires the proposal submitted to the voters by the public financing authority and the resolution for the issuance of bonds following approval by the voters to include specified information regarding the bond issuance. This bill would instead authorize the public financing authority to issue bonds for these purposes without submitting a proposal to the voters. | Support | Support |

| <u>SB 137</u> Dodd | Introduced 1/15/2019 | Senate Appropriations Suspense File | Federal transportation funds: state exchange programs. Current federal law apportions transportation funds to the states under various programs, including the Surface Transportation Program and the Highway Safety Improvement Program, subject to certain conditions on the use of those funds. Current law establishes the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system, and funds that program from fuel taxes and an annual transportation improvement fee imposed on vehicles. This bill would authorize the Department of Transportation to allow the above-described federal transportation funds that are allocated as local assistance to be exchanged for Road Maintenance and Rehabilitation Program funds appropriated to the department. | Support & Seek Amendment | Support and Seek Amendment |
|------------------------|-------------------------|--|--|--------------------------------|----------------------------------|
| <u>SB 146</u> Beall | Introduced 1/18/2019 | Assembly Transportation | Peninsula Rail Transit District. Current law, operative under certain conditions, redesignates the Peninsula Corridor Study Joint Powers Board as the Peninsula Rail Transit District, comprised of 9 members appointed from various governing bodies situated in the City and County of San Francisco and the Counties of San Mateo and Santa Clara, with specified powers.This bill would repeal the provisions relating to the Peninsula Rail Transit District. | | |
| <u>SB 152</u> Beall | Amended 4/25/2019 | Senate Appropriations | Active Transportation Program. Current law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires specified funds for the program to be appropriated to the department in the annual Budget Act and allocated to eligible projects by the California Transportation Commission. This bill would require that 60% of available funds be awarded to projects selected by metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000, with the available funds distributed to each MPO based on its relative share of the population, 15% to fund projects in small urban and rural regions, and 25% to projects competitively awarded by the commission on a statewide basis. | Support (sponsor) | |

| <u>SB 235</u> Dodd | Amended 3/25/2019 | Assembly Desk | Planning and zoning: housing production report: regional housing need allocation. Would authorize the County of Napa and the City of Napa to reach a mutually acceptable agreement to allow one of those jurisdictions to report on its annual production report to the Department of Housing and Community Development those completed entitlements, building permits, and certificates of occupancy issued by the other jurisdiction for the development of housing if certain conditions are met. The bill would require the board of supervisors of the County of Napa and the city council of the City of Napa to each hold a public hearing to solicit public comment on the proposed agreement and to make specified written findings based on substantial evidence before approving the agreement. | |
|-----------------------------------|----------------------|-------------------------|--|--|
| <u>SB 254</u> <u>Hertzberg</u> | Amended 4/1/2019 | Senate Appropriations | California Earthquake Authority. Current law authorizes the California Earthquake Authority, with the Treasurer as its agent, to issue and sell investment grade revenue bonds or issue or secure other debt financing, or both, in amounts up to \$1,000,000,000 plus specified costs, if claims and claim expenses paid following an earthquake event exhaust 4 specified sources of capital, including the CEA's available capital and all insurer capital contributions and assessments. This bill would, instead, limit the amount of the investment grade revenue bonds or other debt financing to an amount up to \$1,000,000,000 outstanding at any time, excluding those specified costs. | |
| <u>SB 277</u> <u>Beall</u> | Amended 3/18/2019 | Senate Consent Calendar | Road Maintenance and Rehabilitation Program: guidelines. The Road Repair and Accountability Act of 2017 continuously appropriates \$200,000,000 annually from the Road Maintenance and Rehabilitation Account for allocation by the California Transportation Commission to local or regional transportation agencies that have sought and received voter approval of taxes or that have imposed certain fees, which taxes or fees are dedicated solely to transportation improvements. Existing law requires the commission, in cooperation with the Department of Transportation, transportation planning agencies, county transportation commissions, and other local agencies, to develop guidelines for the allocation of those moneys, and authorizes the commission to amend the adopted guidelines after conducting at least one public hearing. This bill would require the commission, in cooperation with those same entities, to biennially update the guidelines with final approval of the update occurring on or before January 1 of each even- numbered year. | |

| <u>SB 278</u> Beall | Amended 3/28/2019 | Senate 2 year | Metropolitan Transportation Commission. The Metropolitan Transportation Commission Act creates the Metropolitan Transportation Commission as a local area planning agency to provide comprehensive regional transportation planning for the region comprised of the 9 San Francisco Bay area counties. The act requires the commission to continue to actively, on behalf of the entire region, seek to assist in the development of adequate funding sources to develop, construct, and support transportation projects that it determines are essential. This bill would also require the commission to determine that those transportation projects are a priority for the region. | |
|---------------------------------|----------------------|-----------------------|--|--|
| <u>SB 330</u> <u>Skinner</u> | Amended 4/24/2019 | Senate Appropriations | Housing Crisis Act of 2019. The The Housing Accountability Act requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect. The act requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least \$10,000 per housing unit in the housing development project on the date the application was deemed complete. This bill would, until January 1, 2030, specify that an application is deemed complete for these purposes if a complete initial application was submitted, as specified. | |
| <u>SB 336</u> Dodd | Amended 4/29/2019 | Senate Third Reading | Transportation: fully-automated transit vehicles. Would require a transit operator, as defined, until January 1, 2025, to ensure each of its fully-automated transit vehicles, as defined, is staffed by at least one of its employees, who has had specified training, while the vehicle is in service. The bill would require a transit operator that deploys a fully-automated transit vehicle to report the results of that deployment to the Legislature on or before March 31, 2025. | |

| SB 358 Committee on Transportatio n | Amended 4/8/2019 | Senate Consent Calendar | Transportation. Article XIX of the California Constitution restricts the use of excise tax revenues imposed by the state on fuels used in motor vehicles on public highways to highway and certain mass transit purposes and provides for the deposit of these fuel excise tax revenues in the Highway Users Tax Account for apportionments to cities, among other things. Current law prohibits apportionments from the account to a city pursuant to specified provisions from being made unless the city has set up by ordinance a special gas tax street improvement fund, and requires the apportionment of those moneys to be deposited into that fund. This bill would delete the reference to those specified provisions providing for apportionments from the account, thereby prohibiting any and all apportionments from the account to a city from being made unless the city has set up by ordinance a special gas tax street fund, and thereby requiring the apportionment of those moneys to be deposited into that fund. | |
|--|-------------------------|-------------------------|---|--|
| <u>SB 397</u> <u>Glazer</u> | Introduced 2/20/2019 | Senate Third Reading | Public transit operators: passengers with pets: evacuation orders. Would require each public transit operator to develop best practices for allowing pets on public transit vehicles serving areas subject to an evacuation order. If an evacuation order is issued that covers all or a portion of a public transit operator's service area, the bill would require the operator to authorize passengers to board public transit vehicles with their pets in the area covered by the evacuation order, consistent with those best practices. | |
| <u>SB 526</u> <u>Allen</u> | Amended 4/30/2019 | Senate Appropriations | Regional transportation plans: greenhouse gas emissions: State Mobility Action Plan for Healthy Communities. Would require the State Air Resources Board to adopt a regulation that requires a metropolitan planning organization to provide any data that the state board determines is necessary to fulfill the requirements of the above-described report and to determine if the metropolitan planning organization is on track to meet its 2035 greenhouse gas emission reduction target. After completing each report, the bill would require the state board to determine if each metropolitan planning organization is on track to meet its 2035 target. | |

| <u>SB 529</u> <u>Durazo</u> | Amended 4/30/2019 | Senate Appropriations | Tenant associations: eviction for cause: withholding payment of rent. Current law prohibits a lessor from retaliating against a lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights, or has lawfully and peaceably exercised any rights under the law, by increasing rent, decreasing services, causing a lessee to quit involuntarily, bringing an action to recover possession, or from threatening to do any of those acts. A lessor who violates this latter provision is liable to the lessee for actual damages and, under certain circumstances, punitive damages. This bill would declare that tenants have the right to form, join, and participate in the activities of a tenant association, subject to any restrictions as may be imposed by law, or to refuse to join or participate in the activities of a tenant association. | |
|--------------------------------|----------------------|-----------------------|--|--|
| SB 621 Glazer | Amended 4/30/2019 | Senate Appropriations | California Environmental Quality Act: court actions or proceedings: affordable housing projects. Would require the Judicial Council, by July 1, 2020, to adopt a rule of court applicable to an action or proceeding brought to attack, review, set aside, void, or annul the certification of an environmental impact report for an affordable housing project, as defined, or the granting of an approval of an affordable housing project that requires the action or proceeding, including any potential appeals therefrom, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceeding with the court. The bill would provide that these provisions do not apply to an affordable housing project if it is in certain locations. | |
| SB 744 Caballero | Amended 4/29/2019 | Senate Appropriations | Planning and zoning: California Environmental Quality Act: permanent supportive housing. Would, if a No Place Like Home project, as definined, is not eligible for approval as a use by right, as specified, would authorize the development applicant to request within a specified time period that the lead agency prepare concurrently the record of proceeding for the project with the performance of the environmental review of the program. The Within 2 working days of approval, the bill would require the lead agency, if the project is subject to CEQA, to file and post a notice of determination or, if the project is not subject to CEQA, to file a notice of exemption with the county clerk in each county in which the project is located, in accordance with specified law. | |

Federal Bills

| Bill Number (Author) | Торіс | Current Version | Status | Summary | Position |
|---------------------------------|--|--------------------|--|---|----------|
| <u>H.R. 140</u> (Green) | Housing Fairness Act | 1/3/19 | House Financial Services Committee | Authorizes funds to prevent housing discrimination through the use of nationwide testing, to increase funds for the Fair Housing Initiatives Program, and for other purposes. | |
| <u>H.R. 180</u> (Hastings) | Build America Act | 1/3/19 | House Transportation & Infrastructure Committee; House Ways & Means Committee | Directs the Department of Transportation (DOT) to carry out a national infrastructure investment grant program for capital investments in surface transportation infrastructure. Projects eligible for funding under the program include, at a minimum, highway and bridge projects, public transportation projects, passenger and freight rail transportation projects, and port infrastructure investments. | |
| <u>H.R. 228</u> (Velazquez)_ | Increase Transportation Alternatives Investment Act | 1/3/19 | House Transportation & Infrastructure Committee | Authorizes programs and activities to support transportation options in areas that are undergoing extensive repair or reconstruction of transportation infrastructure, including highways, federally owned roads open for public travel, passenger rail facilities, and public transportation facilities. | |
| <u>H.R. 330</u> (Lieu) | Climate Solutions Act | 1/8/19 | House Energy & Commerce Committee; House Foreign Affairs Committee | Contains findings related to the risks of climate change and declares the sense of Congress that the U.S. should honor its commitments to the Paris Climate Agreement. Requires the U.S. Energy Secretary to promulgate regulations that require an annual increase in the share of electric energy generated by renewable sources with 100% established by 2035 and thereafter. Establishes a national energy efficiency standard. Sets national greenhouse gas reduction targets for 2035 and 2050. | |
| <u>H.R. 731</u> (Malinowski) | Transportation Funding Fairness Act egislation Committee and ABA | 1/23/19 | House Transportation & Infrastructure Committee | Eliminates FTA's discretionary authority to declare TIFIA and RRIF loans as the federal share of an infrastructure project, to allow states to attribute federal transportation loans towards their share of jointly funded large-scale infrastructure projects. | |

| H.R. 763 (Deutch) | Energy Innovation and Carbon Dividend Act | 1/24/19 | House Energy & Commerce Committee; House Foreign Affairs Committee; House Ways and Means Committee | Creates a Carbon Dividend Trust Fund to encourage market-driven innovation of clean energy technologies and market efficiencies which will reduce harmful pollution and leave a healthier, more stable, and more prosperous nation for future generations. Institutes a federal carbon fee of \$15/ton in 2019 (growing by \$10/year thereafter) of greenhouse gas content on the use, sale or transfer of fuel related to refineries and importers of any petroleum product; coal mining; natural gas. | |
|------------------------|--|---------|--|---|--|
| H.R.876 (DeFazio) | Pacific Northwest Earthquake Preparedness Act | 2/6/19 | Senate Committee on Homeland Security and Governmental Affairs | Requires the Federal Emergency Management Agency (FEMA) to develop a plan for the purchase and installation of an earthquake early warning system for the Cascadia Subduction Zone. The term "Cascadia Subduction Zone" means the landward-dipping fault that is approximately 684 miles long, separates the Juan De Fuca and North America plates, and stretches along a portion of the western coast of the United States beginning off Cape Mendocino, California, along the states of Oregon and Washington, to Northern Vancouver Island, British Columbia, Canada. | |
| H.R. 879 (Brownely) | Support Local Transportation Act | 1/30/19 | House Transportation & Infrastructure Committee | Increase the percentage of surface transportation block grant program funds to be allocated to certain urbanized areas from 55 percent to 65 percent by 2020 | |
| H.R. 880 (Brownley) | Surface Transportation Investment Act of 2019 | 1/30/19 | House Transportation & Infrastructure and Ways & Means Committees | Amends the Internal Revenue Code of 1986 to repeal loopholes for major integrated oil companies and directs savings to the surface transportation block grant program. | |

| H.R. 927 (Torres) | Sustainable Communities Act of 2019 | 1/30/19 | House Financial Services and Transportation & Infrastructure Committees | Authorizes the Secretary of Housing and Urban Development, in conjunction with the Secretary of Transportation, to carry out a Sustainable Communities Initiative, and for other purposes. |
|------------------------------------|--|---------|--|---|
| H.R. 1139 (Napolitano) | Transit Worker and Pedestrian Protection Act | 2/11/19 | House Transportation & Infrastructure Committee | Amends title 49, United States Code, to require the development of public transportation operations safety risk reduction programs, and for other purposes. |
| H.R. 1517 (DeSaulnier) | Connecting Opportunities through Mobility Metrics and Unlocking Transportation Efficiencies Act | 3/5/19 | House Transportation & Infrastructure Committee | Requires the Secretary of Transportation to carry out a pilot program to develop and provide to States and transportation planning organizations accessibility data sets. |
| H. Res. 109 (Ocasio- Cortez) | Green New Deal | 2/7/19 | House Energy & Commerce; Science, Space & Technology; Education & Labor; Transportation & Infrastructure; Agriculture; Natural Resources; Foreign Affairs; Financial Services; Judiciary; Ways & Means; and Oversight & Reform Committees | Recognizes the duty of the Federal Government to create a Green New Deal. |
| H.R. 2164 (Brownley) | Green Bus Act of 2019 | 4/9/19 | House Transportation & Infrastructure Committee | Increases federal funding for zero-emission buses and beginning in 2029 requires that any bus purchased for use in public transportation with funds provided by the Federal Transit Administration to be a zero-emission bus. |

| Bill | Торіс | Current | Status | Summary | Position |
|---------------------------------------|--|-----------|---|---|-----------|
| Number | Topic | Version | | | 1 OSICION |
| (Author) | | , cr sion | | | |
| (Huenor) <u>S. 146</u> (Hoeven) | Move America Act of 2019 | 1/16/19 | Senate Finance Committee | Amends the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits. | |
| <u>S. 615</u> (Portman) | State Transportation Flexibility Act | 2/28/19 | Senate Environment & Public Works Committee | Devolves the federal highway transportation program down to the states. | |
| <u>S. 654</u> (Baldwin) | Connecting Opportunities through Mobility Metrics and Unlocking Transportation Efficiencies Act | 3/5/19 | Senate Commerce, Science and Transportation Committee | Requires the Secretary of Transportation to carry out a pilot program to develop and provide to States and transportation planning organizations accessibility data sets. | |
| <u>S. 674</u> (Carper) | Clean Corridors Act of 2019 | 3/6/19 | Senate Environment & Public Works Committee | Establishes a grant program for the installation of electric vehicle charging infrastructure and hydrogen fueling infrastructure along the National Highway System. | |
| <u>S. 787</u> (Warren) | American Housing and Economic Mobility Act of 2019 | 3/13/19 | Senate Finance Committee | Authorizes a number of new federal programs and amends existing programs to make housing more affordable. Includes increasing investments in the National Housing Trust Fund and Capital Magnet Fund, expanding the Community Reinvestment Act and creates a \$10 billion incentive program for local governments to eliminate certain land use restrictions. Funds new programs through increasing the federal estate tax. | |
| <u>S. Res. 59</u> (Markey) | Green New Deal | 2/7/19 | Senate Environment & Public Works Committee | Recognizes the duty of the Federal Government to create a Green New Deal. | |
| <u>S. 1098</u> (Cardin) | Transportation Alternatives Enhancement Act | 4/9/19 | Senate Environment & Public Works Committee | Increases suballocation of the federal funding for bicycle and pedestrian infrastructure (the "STP set- aside") to 66 percent from 50 percent. | |

California State Legislative Calendar 2019*

| January | | June | |
|----------|---|------------|---|
| 1 | Statutes take effect | 3 | Committee meetings may resume |
| 7 | Legislature reconvenes | 15 | Budget Bill must be passed by midnight |
| 10 | Budget must be submitted by Governor (Art. IV, Sec. 12(a)) | | |
| 21 | Martin Luther King, Jr. Day | | |
| 25 | Last day to submit bill requests to the Office of Legislative Counsel | | |
| February | | July | |
| 18 | Presidents' Day | 4 | Independence Day |
| 22 | Last day for bills to be introduced | 10 | Last day for policy committees to hear and report fiscal bills to fiscal committees |
| | | 12 | Last day for policy committees to hear and report bills. Summer Recess begins upon adjournment of session, provided Budget Bill has been passed |
| March | | August | |
| 29 | Cesar Chavez Day | 12 | Legislature reconvenes from Summer Recess |
| | | 30 | Last day for fiscal committees to meet and report bills to the floor |
| April | | September | |
| 11 | Spring Recess begins upon adjournment | 2 | Labor Day |
| 22 | Legislature reconvenes from Spring recess | 3-13 | Floor session only. No committee may meet for any |
| 26 | Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their | | purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees |
| | house | 6 | Last day to amend on floor |
| | | 13 | Last day for any bill to be passed. Interim Recess begins upon adjournment |
| May | | October | · · · |
| 3 | Last day for policy committees to hear and report to the floor nonfiscal bills introduced in their house | 13 | Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 13 and in the Governor's |
| 10 | Last day for policy committees meet prior to June 3 | | possession after Sept. 13 |
| 17 | Last day for fiscal committees to hear and report to the | November | |
| | floor bills introduced in their house. Last day for fiscal | 6 Gener | ral Election. |
| 07 | committee to meet prior to June 3 | December | |
| 27 | Memorial Day | | |
| 28 - 6/1 | No committee may meet for any purpose except for | 1 20 | 20 |
| | Rules Committee, bills referred pursuant to A.R. | January 20 | |
| | 77.2, and Conference Committees | 1 Statu | tes take effect. |

Source: Senate & Assembly websites.

*Dates are subject to change.

| January | | July |
|----------|--|--|
| 1 | New Year's Day | 1-5 House and Senate district work periods |
| 3 | House and Senate reconvene | 4 Independence Day |
| 4 | Senate district work period | 29-31 House district work period |
| 21 | Martin Luther King, Jr. Day | |
| 21-25 | House and Senate district work periods | |
| 21 23 | mouse and senate district work periods | |
| February | | August |
| 4 | Deadline for President's budget submission | 1-31 House district work period |
| 18 | President's Day | 5-31 Senate district work period |
| 18-22 | House and Senate district work periods | · · · · · · · · · · · · · · · · · · · |
| | | |
| March | | September |
| 18-22 | House and Senate district work periods | 2 Labor Day |
| | ľ | 2-6 House and Senate district work periods |
| | | 30 House and Senate district work periods |
| | | |
| April | | October |
| 15 | Congressional concurrent resolution budget deadline | 1-11 House and Senate district work periods |
| 15-26 | House and Senate district work periods | 14 Columbus Day |
| | | |
| May | | November |
| 27 | Memorial Day | 1 Fiscal year 2020 begins |
| 27-31 | House and Senate district work periods | 1-8 House district work period |
| | L L | 11 Veterans' Day |
| | | 25-29 House and Senate district work periods |
| | | 28 Thanksgiving Day |
| | | |
| June | | December |
| 30 | General deadline for Congressional action on regular | 16-31 House and Senate empty calendar |
| | appropriations bills and budget reconciliation | 25 Christmas day |
| | | |
| | | |
| | | |

116th United States Congress, First Session (Tentative) Calendar*

Source: Senate & House of Representatives websites. Joint MTC Legislation Committee and ABAG Legislation Committee May 10, 2019

California Local & Regional Government Association Bill Position Resources

League of California Cities ("the League") https://www.cacities.org/Policy-Advocacy/Bill-Search

California State Association of Counties (CSAC)

https://www.counties.org/legislative-tracking

California Association of Councils of Government (CALCOG)

https://www.calcog.org/index.php?src=gendocs&ref=billtrack&link=billtrack



Legislation Details (With Text)

| File #: | 19-0477 | Version: | 1 | Name: | | |
|----------------|--|---|-------------------------|---------------------------------------|--|--|
| Туре: | Assembly Bill | | | Status: | Commission Approval | |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Comm Legislation Committee | ittee and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | - | |
| Title: | AB 69 (Ting): \$ | Small Home | Buil | ding Standards | | |
| | detached dwel small kitchens standards pos | ling units sr and bathroo sible. The st | nalle oms v tanda | r than 800 squar with small applia | smaller than 800 square feet, j e feet. These standards must in nces and achieve the most cost mitted to the California Building 2021. | nclude allowances for -effective construction |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>5b_AB-69_Su</u> | oport and Se | eek A | Amendments.pdf | | |
| Date | Ver. Action By | | | Act | | |

Subject:

AB 69 (Ting): Small Home Building Standards

AB 69 would require the Department of Housing and Community Development (HCD) to propose small home building standards governing ADUs smaller than 800 square feet, junior ADUs and detached dwelling units smaller than 800 square feet. These standards must include allowances for small kitchens and bathrooms with small appliances and achieve the most cost-effective construction standards possible. The standards must be submitted to the California Building Standards Commission (CBSC) for adoption by January 1, 2021.

Presenter:

Rebecca Long

Recommended Action:

Support & Seek Amendments/ ABAG Executive Board Approval Support & Seek Amendments / MTC Commission Approval

| Metropolitan T | ransportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and |
|----------------|---|
| | ABAG Legislation Committee |
| May 10, 2019 | Agenda Item 5b |
| | AB 69 (Ting): Small Home Building Standards |
| Subject: | AB 69 would require the Department of Housing and Community Development (HCD) to propose small home building standards governing ADUs smaller than 800 square feet, junior ADUs and detached dwelling units smaller than 800 square feet. These standards must include allowances for small kitchens and bathrooms with small appliances and achieve the most cost-effective construction standards possible. The standards must be submitted to the California Building Standards Commission (CBSC) for adoption by January 1, 2021. |
| Background: | Secondary units have been identified as a cost-effective way that a significant number of units, affordable and energy efficient by design, can be produced in areas currently zoned for housing. Over the past three years a number of bills have been enacted to remove barriers that have impeded the development of ADUs in neighborhoods. Of note, as accessory uses, ADUs and Junior ADUs are not considered an increase in density when added to a proposed new construction project or existing single-family home. |
| | According to the Terner Center for Housing Innovation at UC Berkeley, the average cost to build an ADU in California (\$156,000) is less than half of the average cost to build a unit of affordable housing, 83% of ADUs are designed and built in 18 months or less, and 58% of ADUs are rented at below market rate. The Terner Center also indicates ADU building costs could be further reduced by removing barriers in existing building standards that do not scale well to small structures. For example, the center reports that the new 2016 Title 24 building requirements inhibit the ability of builders to deliver affordable and attractive ADUs by requiring builders to incorporate additional energy efficiency features, such as greater wall thickness or insulation, which can substantially raise the overall cost of the ADU. |
| | Additionally, the ABAG/MTC Housing Legislative Working Group suggested that a set of standardized pre-approved ADU building plans could make ADU creation easier and more cost-effective for homeowners. |
| Discussion: | Given the potential for the bill to address the barriers to ADU development detailed above, staff recommends a support position on AB 69. Staff recommends ABAG and MTC support the bill and seek a |

friendly amendment to add to the bill a provision directing the state to generate and make available to local governments template ADU design prototypes consistent with the small state building codes, as proposed by the bill.

Recommendation: Support and Seek Amendment

Bill Positions: AB 69 (Ting)

Support

AARP California ADU Task Force (East Bay) Bay Area Council BRIDGE Housing **Building Industry** Association of the Bay Area California Apartment Association California Association of Realtors California Community Builders California YIMBY Casita Coalition Community Legal Services in East Palo Alto Habitat for Humanity East Bay/Silicon Valley San Francisco Foundation

EAH Housing Eden Housing **Enterprise Community** Partners Greenbelt Alliance Habitat for Humanity California Hello Housing La-Mas League of Women Voters of California Non-Profit Housing Association of Northern California North Bay Leadership Council

OpenScope Studio **PICO** California PrefabADU Related California San Francisco Housing Action Coalition SV@Home SPUR Tent Makers The Two Hundred TMG Partners Turner Center for Housing Innovation Urban Displacement Project Working Partnerships USA Individual(s) 1

Oppose

None on file

Attachments: None

eren When

Therese W. McMillan



Legislation Details (With Text)

| File #: | 19-0478 | Version: | 1 | Name: | | |
|----------------|----------------------------------|---|------------------------|---|--|--|
| Туре: | Assembly Bill | | | Status: | Commission Approval | |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Committe | ee and ABAG |
| On agenda: | | | | Final action: | | |
| Title: | AB 1483 (Gray | rson): Hous | ing D | ata/Transparenc | У | |
| | posted on loca housing permit | l agency an requests, p community [| d sta produ Deve | ite web sites, rec iction and permit | standards more transparent by re uires local agencies to provide ad ting data annually, and requires th o develop an online database of h | ditional reporting of e Department of |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>5c_AB-1483_C</u> | Grayson.pdf | | | | |
| Date | Ver. Action By | | | Act | ion | Result |

Subject:

AB 1483 (Grayson): Housing Data/Transparency

This bill seeks to make housing fee and zoning standards more transparent by requiring that they be posted on local agency and state web sites, requires local agencies to provide additional reporting of housing permit requests, production and permitting data annually, and requires the Department of Housing and Community Development (HCD) to develop an online database of housing production data accessible to the public.

Presenter:

Rebecca Long

Recommended Action:

Support and seek amendments / ABAG Executive Board Approval Support and seek amendments / MTC Commission Approval

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

May 10, 2019 Agenda Item 5c AB 1483 (Grayson): Housing Data/Transparency This bill seeks to make housing fee and zoning standards more transparent by Subject: requiring that they be posted on local agency and state web sites, requires local agencies to provide additional reporting of housing permit requests, production and permitting data annually, and requires the Department of Housing and Community Development (HCD) to develop an online database of housing production data accessible to the public. **Background:** Current law requires cities and counties to provide an annual production report (APR) to HCD that includes information on the total number of applications received, number of units proposed in those applications, number of units approved and disapproved and, for each income category within the Regional Housing Needs Assessment (RHNA), the number of units that have been issued a completed entitlement, a building permit, or a certificate of occupancy. **Discussion:** AB 1483 would require cities and counties to annually provide additional detailed data, such as the location of each proposed project, number of housing applications received and deemed complete that have not received a certificate of occupancy to the Department of Housing and Community Development (HCD) and requires HCD to post the information on its website by January 1, 2021. The bill further requires local agencies post on their web site a current schedule of fees applicable to housing development projects, and all zoning ordinances and development standards. The bill also requires HCD develop a 10-year housing data strategy in its next revision of the California Statewide Housing Plan and establish a statewide, publicly accessible database of parcel-level housing data available to the state. While local jurisdictions are already required to submit a considerable amount of data about housing production and permitting, the data is not currently accessible, standardized or organized for public use and research. This bill expands on data already reported through the APR to require some additional, parcel-level data and requires jurisdictions to share that data with their respective metropolitan planning organization (MPO), in the Bay Area's case, MTC. **MPO** Provision The bill contains a provision allowing MPOs to request additional information from local jurisdictions about housing, subject to HCD approval and conditional on an MPO providing technical assistance. As currently drafted, this provision puts HCD in the role of gatekeeper between an MPO and a local jurisdiction with respect to housing data, a role that seems wholly unnecessary and formalizes what should be a simple staff-to-staff communication. Based on conversations with proponents for the bill, we understand the intent of this provision is to give MPOs the option of asking HCD to require additional data points be provided by all local agencies within their jurisdiction based on the

Agenda Item 5c

rationale that some regions may be interested in particular information that wouldn't necessarily be relevant statewide. While this idea may have merit, the bill should be clarified accordingly. In addition, the bill currently states that HCD would only grant such a request if an MPO provides technical assistance to the local agency that has been requested to provide additional data. While technical assistance may be warranted, it should only be required "upon request."

Timeline for Implementation & Purpose of Data

Finally, the Housing Legislative Working Group raised some concerns that implementing the requirements could take some time for smaller cities and it would be helpful if HCD provided an online portal or template for the new data requests. We would like to work with our local jurisdictions to better understand challenges they may face in implementing the legislation and pursue amendments with the author to address these concerns.

Proposed Amendments

In light of the above concerns, we recommend we support AB 1483 if it can be amended as follows:

MPO Provision – clarify that the provision related to MPO data is intended to apply regionwide and not to data requests from individual jurisdictions.

Timeline for Implementation & Purpose of Data –work with the author and local agencies to ensure the data requests are reasonable (and would provide meaningful information) and the timeline for implementation is feasible.

Recommendation: Support and seek amendments

Bill Positions: See attached

Attachments: Attachment A: Bill Position

berene What

Therese W. McMillan

Attachment A Agenda Item 5c

Bill Positions on AB 1483 (Grayson) Housing Data/Transparency

California Apartment Association California Association of Realtors California Building Industry Association Non-Profit Housing Association of Northern California Oakland Metropolitan Chamber of Commerce Bay Area Council American Planning Association, California Chapter **Eden Housing** Habitat for Humanity California Related California LeadingAge California Building Industry Association of the Bay Area California Community Builders Chan Zuckerberg Initiative Enterprise Community Partners, Inc. Habitat for Humanity East Bay/Silicon Valley Hamilton Families Transform TMG Partners San Francisco Foundation SPUR Working Partnerships USA Silicon Valley at Home Urban Displacement Project, UC-Berkeley

Oppose

None on file



Legislation Details (With Text)

| File #: | 19-0486 | Version: | 1 | Name: | | |
|----------------|--------------------|---------------|-------|------------------|---|----------|
| Туре: | Senate Bill | | | Status: | Commission Approval | |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Committee a Legislation Committee | and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | | |
| Title: | SB 6 (Beall): S | Statewide He | ousin | g Site Inventory | | |
| | statewide surp | Jus lands in | vento | | sing and Community Development (F ed sites available for housing develo te inventory. | |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>5d_SB-6_Bea</u> | <u>ll.pdf</u> | | | | |
| Date | Ver. Action By | 1 | | Act | ion | Result |

Subject:

SB 6 (Beall): Statewide Housing Site Inventory

SB 6 would require that the Department of Housing and Community Development (HCD) add to the statewide surplus lands inventory locally-identified sites available for housing development as identified in a local agency's housing element site inventory.

Presenter:

Georgia Gann Dohrmann

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

| May 10, 2019 | | Agenda Item 5d |
|---------------------------------------|---|---|
| | SB 6 (Beall): Statewide | Housing Site Inventory |
| Subject: | Development (HCD) add | he Department of Housing and Community to the statewide surplus lands inventory locally- for housing development as identified in a local t site inventory. |
| Background: | Services (DGS) with a lis residential development, a Housing Element of its ge inventory of state surplus local governments standar requires that local govern | CD to provide the Department of General t of local lands suitable and available for as identified by a local government as part of the eneral plan, for inclusion in the DGS-maintained land. SB 6 would also authorize HCD to provide rdized forms to develop site inventories and ments adopting housing elements after January 1, it site inventories to HCD. |
| Issues: | could help local governm development opportunity committee is considering would expand the central | tory of land potentially available for housing ents and housing developers identify sites. Of note, AB 1486 (Ting) – another bill the today – contains complementary provisions that inventory to include all local surplus land, in ent site inventory sites and state surplus land. |
| Recommendation: | Support | |
| Bill Positions: | SB 6 | |
| Support American Planning A | Association, California | Eden Housing Irvine Community Land Trust |

American Planning Association, California Chapter California Apartment Association California Building Industry Association California Contract Cities Association California Housing Consortium California YIMBY

Attachments: None

Eden Housing Irvine Community Land Trust Northern California Carpenters Regional Council

Oppose None on file

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Therese W. McMillan



Legislation Details (With Text)

| File #: | 19-0510 | Version: | 1 | Name: | | |
|----------------|------------------------------------|---|---------------|---|--|---|
| Туре: | Assembly Bill | | | Status: | Commission Approval | |
| File created: | 5/2/2019 | | | In control: | Joint MTC Legislation Comm Legislation Committee | ittee and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | - | |
| Title: | AB 68 (Ting): A | Accessory D | well | ing Units | | |
| | requirements re (attached or de | elated to mir etached) of a e allowable t | nimu t lea | im lot size and re ast 800 square fe | Jnit (ADU) standards from inclu placement parking and would u et and 16 feet in height to be a permit to 60 days after an age | equire an ADU llowed. The bill would |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | 5e_AB-68_Ting | <u>g.pdf</u> | | | | |
| Date | Ver. Action By | | | Act | ion | Result |

Subject:

AB 68 (Ting): Accessory Dwelling Units

AB 68 would prohibit local Accessory Dwelling Unit (ADU) standards from including certain requirements related to minimum lot size and replacement parking and would require an ADU (attached or detached) of at least 800 square feet and 16 feet in height to be allowed. The bill would also reduce the allowable time to issue an ADU permit to 60 days after an agency receives a completed application.

Presenter: Georgia Gann Dohrmann

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

| May 10, 2019 | Agenda Item 5e |
|------------------------|--|
| | AB 68 (Ting): Accessory Dwelling Units |
| Subject: | AB 68 would prohibit local Accessory Dwelling Unit (ADU) standards from including certain requirements related to minimum lot size and replacement parking and would require an ADU (attached or detached) of at least 800 square feet and 16 feet in height to be allowed. The bill would also reduce the allowable time to issue an ADU permit to 60 days after an agency receives a completed application. |
| Background: | Many Bay Area local governments have taken steps to actively incentivize ADUs and over the past three years a number of bills have been enacted to limit zoning restrictions and expedite ADU approvals. As a result, the number of ADU permit applications has surged throughout the region. AB 68 seeks to further address barriers to ADU development. For example, a Senate Governance and Finance Committee ADU bill analysis references that some jurisdictions appear to set minimum lot sizes for ADUs at sizes larger than the jurisdictions' average lot size as a way to indirectly prohibit ADUs. |
| | Attachment A compares AB 68 provisions with current law and with SB 13 (Wieckowski), another ADU bill being considered today. |
| Discussion: | As the Bay Area's housing crisis deepens, it is becoming increasingly important to consider innovative strategies to increase the Bay Area's housing supply. ADUs can be an important part of the solution. If 20 percent of Bay Area homeowners built an ADU, the Bay Area would add 300,000 units, enough to accommodate nearly 40 percent of the region's projected population growth through 2040. ADU infill development is inherently more low-impact and energy-efficient than large-scale construction and ADUs are generally more affordable than other forms of housing. This type of development is consistent with the Bay Area's shared climate and equity goals, as identified in <i>Plan Bay Area 2040</i> . Given the potential for ADUs to be a part of the solution to the Bay Area's ongoing housing crisis, we support the policy of accelerating the approval of and removing remaining barriers to ADU production. |
| Recommendation: | Support |
| Bill Positions: | See Attachment B |
| Attachments: | Attachment A: Bill Comparison Matrix Attachment B: Bill Positions |

Therese W. McMillan

| AB 68 (Ting) and SB 13 (Wieckowski) Comparison Matrix |
|---|
| As of May 3, 2019 |

| | Current Law | AB 68 (Ting) | SB 13 (Wieckowski) |
|------------------------------------|--|---|--|
| Bill Status | N/A | Assembly Appropriations | Senate Appropriations |
| Minimum Lot size | Locally established | Prohibits minimum lot size standards | No change |
| Setback requirements | Five Feet | Reduces setback requirements to four feet | No change |
| Owner- Occupancy Requirement | Allows a local agency to require that an applicant be an owner- occupant | No change | Prohibits owner occupancy requirement |
| Application approvals | Requires ministerial approval of an ADU permit within 120 days | Reduces to 60 days from receipt of a completed application | Reduces to 60 days and deems permit approved if not acted upon within that period |
| State Oversight | Requires local agencies submit ADU ordinances to HCD within 60 days of adoption | Requires local agencies to submit ADU ordinances to HCD and authorizes HCD to make findings of non- compliance, require correction and work with Attorney General on enforcement | Requires local agencies to submit ADU ordinances to HCD and authorizes HCD to make findings of non-compliance, require correction and work with Attorney General on enforcement |
| Size Requirements | Requires ADU ordinance that allows an "efficiency unit" (250 – 450 square feet (sf)) | Requires an ADU ordinance that establishes minimum or maximum size to allow an ADU of at least 800 sf and 16-feet high | Prohibits an ADU ordinance that does not allow an ADU of at least 850 sf (applies to studios and one-bedroom)/1,000 sf (applies more than one bedroom ADUs) |
| Zoning | Allowed in areas zoned to allow single family or multifamily dwelling residential use | Removes restriction to residential zones and instead applies to residential and mixed-use zones; Allows for one ADU and one JADU per proposed or existing single family residential unit and two ADUs per proposed or existing multifamily lot | Removes zoning restriction requiring only that the lot "includes a single family dwelling that exists or is proposed on the lot" |

| | Current Law | AB 68 (Ting) | SB 13 (Wieckowski) |
|---------------------------------|--|---|--|
| Impact fees | Provides that an ADU shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service; Other fees subject to Fee Mitigation Act | No change | Provides for a tiered structure of fees based on size of ADU |
| RHNA | Permitted ADUs count toward RHNA numbers; no allowance for ADUs in site inventories | No change | Provides for an amnesty program to permit un-permitted ADUs; Authorizes a local agency to count ADUs for purpose of identifying adequate sites for its housing element |
| Parking | Restricts the parking standards a locality may impose on an ADU, including prohibiting parking requirements on ADUs located within ½ mile of public transit | Newly prohibits local agencies from requiring replacement parking for spaces that are lost due to construction of ADU (e.g. garage conversion) | Same as AB 68 |
| Building Standard Amnesty | No amnesty | No change | Provides for an amnesty program to permit un-permitted ADUs that do not pose a health and safety risk |

Source: Senate Housing Committee Analysis of SB 13, revised and augmented by MTC/ABAG staff

Attachment B Agenda Item 5e

AB 68 (Ting) Positions

Support

California YIMBY [SPONSOR] AARP California ADU Task Force East Bay Bay Area Council **BRIDGE** Housing Building Industry Association of the Bay Area California Apartment Association California Association of Realtors California Community Builders California Teamsters Chan Zuckerberg Initiative Citylab - UCLA Community Legal Services In East Palo Alto EAH Housing Eden Housing Emerald Fund Enterprise Community Partners, Inc. Facebook, Inc. Greenbelt Alliance Habitat for Humanity East Bay/Silicon Valley (if amended) Hello Housing La-Mas Larson Shores Architects

League of Women Voters of California Non-Profit Housing Association of Northern California **Openscope Studio** PICO California PreFabADU **Related** California San Diego Apartment Association San Francisco Foundation San Francisco Housing Action Coalition Silicon Valley At Home (Sv@Home) Spur Tentmakers Inc. Terner Center For Housing Innovation at the University Of California, Berkeley The Casita Coalition The Two Hundred TMG Partners Urban Displacement Project, UC Berkeley Working Partnerships USA

Oppose

American Planning Association, California Chapter (unless amended) League of California Cities (unless amended)



Legislation Details (With Text)

| File #: | 19-0545 Versio | on: 1 | Name: | |
|-----------------------|---|---|--|--|
| Туре: | Assembly Bill | | Status: | Commission Approval |
| File created: | 5/6/2019 | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | Final action: | |
| Title: | AB 1485 (Wicks): Wor | kforce H | ousing | |
| | advantage of current i could either dedicate making below 80 perc | aw's by-r 10 percer ent of the earning | ight provisions ir nt of the total nur area median in below 120 perce | s applicable to a developer who wants to take a Senate Bill 35 (Wiener, 2017) such that a project nber of units to housing affordable to households come (AMI)-as provided for in current law-or 20 ont AMI with an average income of units at or below option. |
| | | | | |
| Sponsors: | | | | |
| Sponsors: Indexes: | | | | |
| - | | | | |
| Indexes: | 5f_AB-1485_Wicks.pc | lf | | |

Subject:

AB 1485 (Wicks): Workforce Housing

AB 1485 would modify affordability requirements applicable to a developer who wants to take advantage of current law's by-right provisions in Senate Bill 35 (Wiener, 2017) such that a project could either dedicate 10 percent of the total number of units to housing affordable to households making below 80 percent of the area median income (AMI)-as provided for in current law-or 20 percent to households earning below 120 percent AMI with an average income of units at or below 100 percent-which the bill would add as a new option.

Presenter:

Rebecca Long

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

| Metropolitan T | ransportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and |
|----------------|--|
| | ABAG Legislation Committee |
| May 10, 2019 | Agenda Item 5f |
| | AB 1485 (Wicks): Workforce Housing |
| Subject: | AB 1485 would modify affordability requirements applicable to a developer who wants to take advantage of current law's by-right provisions in Senate Bill 35 (Wiener, 2017) such that a project could either dedicate 10 percent of the total number of units to housing affordable to households making below 80 percent of the area median income (AMI)—as provided for in current law—or 20 percent to households earning below 120 percent AMI with an average income of units at or below 100 percent—which the bill would add as a new option. |
| Background: | In 2017, the Legislature enacted SB 35 (Wiener), which provides for ministerial approval for housing projects that meet "objective planning standards" and numerous other requirements in cities and counties that are not meeting housing production targets, as identified in the Regional Housing Need Allocation (RNHA). Under current law, to qualify under streamlining in jurisdictions falling short of their above-moderate income housing targets, projects over 10 units must include a minimum of 10 percent of units affordable to households earning 80 percent or less of AMI. AB 1485 would provide that a project could also meet this requirement by dedicating 20 percent of units to those affordable households earning 120 percent AMI or less, with the average income of those units affordable to those households earning 100 percent of AMI or less. The bill would define rental levels dedicated to households earning between 80 percent – 120 percent AMI as rents offered at least 20 percent below the county's fair market rate. If a local jurisdiction has a local ordinance requiring larger shares of units be affordable to low-income or moderate-income households, then the local ordinance applies. |
| Discussion: | AB 1485 would create a new option to streamline moderate- and mixed- income housing, which would help address the housing shortage facing the Bay Area's "missing middle" – those households that do not qualify for affordable housing subsidies but still struggle with the cost of housing (i.e. households earning between 80 percent – 120 percent AMI). For example, according to a recent East Bay Times analysis the income required to afford the median rent in the City of Pleasanton is nearly \$109,000 – significantly above the \$89,600 income limit for a family of four to qualify for affordable housing (the 80 percent AMI income limit for a four-person household in Alameda County for 2018 is \$89,000). |

Recommendation: Support

Bill Positions: AB 1485 (Wicks) Support

Bay Area Council (Sponsor) Building Industry Association of the Bay Area California Community Builders Chan Zuckerberg Initiative Enterprise Community Partners, Inc. Habitat for Humanity East Bay/Silicon Valley Hamilton Families Oakland Metropolitan Chamber of Commerce Related California Silicon Valley at Home (SV@Home) TMG Partners

None

Support if Amended

American Planning Association San Francisco Foundation

Oppose

None on File

Attachments:

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Therese W. McMillan



Legislation Details (With Text)

| File #: | 19-0379 | Version: | 1 | Name: | |
|----------------|--|----------|---|---------------|---|
| Туре: | Report | | | Status: | Informational |
| File created: | 4/5/2019 | | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | | Final action: | ů. |
| Title: | Tom Bulger's | Report | | | |
| | Report from Washington, D.C. advocate. | | | | |
| Sponsors: | | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | 5g_Tom Bulger's DC Report_Apr_2019.pdf | | | | |
| Date | Ver. Action B | v | | Act | ion Result |

Subject:

Tom Bulger's Report

Report from Washington, D.C. advocate.

Presenter:

Randy Rentschler

Recommended Action:

Information

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and **ABAG Legislation Committee**

| May 10, 2019 | | Agenda Item 5g | |
|------------------------|--|----------------|--|
| | Tom Bulger's Report | | |
| Subject: | Report from Washington, D.C. advocate. | | |
| | | | |
| Recommendation: | Information | | |
| | | | |
| • · · · • · · · | | | |
| Attachments: | Attachment A: Tom Bulger's Report – April 2019 | | |
| | | | |
| | | | |

Therese W. McMillan



April 2019 Monthly Washington, D.C. Report

- To: Therese W. McMillian, Executive Director
- From: Tom Bulger, President GRI
- Date: April 26, 2019
- **RE:** Monthly Report for April 2019
 - House Transportation and Infrastructure (T&I) Committee Calls for Fixing America's Surface Transportation (FAST) Act Policy Recommendations
 - Fiscal Year (FY) 2019 United States Department of Transportation (USDOT) Notice of Funding
 - FY 2020 Transit Funding Faces a 12% Cut
 - House Adopts FY 2020 Spending Plan
 - Meetings
 - Coming and Going

House Transportation and Infrastructure (T&I) Committee Calls for Fixing America's Surface Transportation (FAST) Act Policy Recommendations

The T&I Committee is seeking recommendations from all House Members on policy recommendations to include in legislation renewing the FAST Act as well as legislation in the nation's broader infrastructure. Members have until April 30th to submit FAST Act recommendations and May 1st concerning broader infrastructure recommendations. Additionally, the T&I Committee will hold a Member's Day Hearing on May 1st on infrastructure.

Fiscal Year (FY) 2019 United States Department of Transportation (USDOT) Notice of Funding

In April 2019, the USDOT announced that \$900 million in Better Utilizing Investments to Leverage Development (BUILD) grant funding. Applications are due by July 15, 2019. The FY 2019 BUILD funding requires a 50-50 split between urban and rural grantees. No more than 10% of the funding can be awarded for projects in a single state. The FY 2019 Omnibus Appropriations Bill makes \$15 million available for planning grants.

The primary selection criteria include:

- Economic Competitiveness;
- Environmental Sustainability;
- Innovation and Partnership;
- Quality of Life;
- Safety; and
- State of Good Repair

FY 2020 Transit Funding faces a 12% Cut

On April 10, 2019, the Treasury Department said that the Mass Transit Account of the Highway trust Fund failed its solvency test for FY 2020. Unless Congress passes new legislation to fix this problem, apportionments in FY 2020 for the mass transit formula account will be cut by 12% below the FAST Act levels.

House Adopts FY 2020 Spending Plan

The House adopted a resolution (H.Res.293) giving the House Appropriations Committee a spending total for the FY 2020 twelve appropriations bills. House Democrats failed to actually pass an actual bill, because progressive Democrats oppose the bill (H.R. 2021) because it would spend too little on non-defense. Moderate Democrats thought the bill would spend too much overall.

Meetings

Meeting with the San Francisco Bay Area Rapid Transit's (BART) Washington Representative concerning BART's Capital Investment Grant Federal Transit Administration (FTA) grant that awaits approval into Engineering. BART was meeting with FTA this past week.

Coming and Going

On March 28, 2019, Nicole R. Nason was confirmed as the Administrator of the Federal Highway Administration.



Legislation Details (With Text)

| File #: | 19-0544 | Version: 1 | | Name: | |
|----------------|---|------------|--|---------------|---|
| Туре: | Report | | | Status: | Informational |
| File created: | 5/3/2019 | | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | | Final action: | - |
| Title: | Housing Legislative Working Group Update | | | | |
| Sponsors: | Report on the work of the ABAG-MTC Housing Legislative Working Group, convened to provide input into staff's analysis of key housing bills under consideration in Sacramento this year. | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | 7a Housing Leg Working Group Update.pdf | | | | |
| | 7a_Handout_Attachment E_HLWG 5.1.19 Notes.pdf | | | | |
| | 7a_HANDOUT_Attachment F_Ronen_Comments.pdf | | | | |
| Date | Ver. Action By | , | | Act | ion Result |

Subject:

Housing Legislative Working Group Update

Report on the work of the ABAG-MTC Housing Legislative Working Group, convened to provide input into staff's analysis of key housing bills under consideration in Sacramento this year.

Presenter:

Rebecca Long

Recommended Action:

Information

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

| May 10, 2019 | Agenda Item 7a |
|--------------------|---|
| | Housing Legislative Working Group Update |
| Subject: | Report on the work of the ABAG-MTC Housing Legislative Working Group, convened to provide input into staff's analysis of key housing bills under consideration in Sacramento this year. |
| Background: | The Housing Legislative Working Group was convened in late March by ABAG and MTC as an action item following on the ABAG and MTC boards' motions related to the CASA Compact. Specifically, the MTC motion directed staff to do outreach to local elected officials as part of any advocacy related to housing, while the ABAG motion specifically directed staff to form a task force comprised of local elected officials to provide input on legislation. The group was convened in an advisory capacity to provide their perspectives to staff for communication to the MTC and ABAG Legislative Committees. |
| | The group included a county representative from each of the nine counties appointed by the board of supervisors and two city representatives for each county. See Attachment A for the committee's roster. The HLWG met on a weekly basis through the month of April and held its most recent meeting on May 1. At the first meeting the group developed organizing principles by which to analyze housing legislation, as detailed in Attachment B. Beginning with the second meeting, staff provided presentations to the working group that discussed various bills in the context of the organizing principles and sought input from the group on each bill. Attachment C shows the bills that staff presented to the group, along with their current status. A web page was formed on the MTC site to provide easy access to the meeting materials, including videos. |
| Discussion: | The HLWG meetings were well attended and provided staff with a deeper understanding of the unique concerns across the region. While the views on bills were not unanimous (see Attachments D and E for member comments and meeting notes), there were a number of common themes, including: Agreement that there is a housing crisis and more housing needs to be built at all income levels, and faster; Agreement that additional funding is needed to help pay for affordable housing and that the lack of funding is a significant barrier to getting projects built; Concern that legislative proposals aren't addressing the underlying problem of the high cost of housing in California; Cities that are doing the right thing should get credit for this. Many are painted as obstructionist even though they have entitled hundreds of units; often projects aren't moving due to market conditions beyond local control. |

- Concern about the loss of local control over zoning, housing approvals, or the pace of approvals;
- Concern that bills to mandate increased zoning for housing density and by-right development are not accompanied by funding to address associated impacts on schools and infrastructure, including transportation impacts;
- Concern about proposals to limit or prohibit housing impact fees and how the funds from those would be replaced;
- In the East Bay, a view that the region's focus in the near term should be to bring more housing to the parts of the region that have produced the most jobs and have the greatest jobs-housing imbalance (i.e. San Francisco and Silicon Valley). As a complement to this effort, employers should be incentivized to locate in the parts of the region with the most housing;
- Concern about policies to require increased reporting or accelerated project approvals without commensurate increase in resources.

Staff appreciates the time and energy that HLWG members invested in this effort. We learned a great deal and appreciate the perspectives that were shared. While our proposed bill position recommendations weren't reviewed or discussed with the HLWG and undoubtedly won't be supported by every member of the committee, we hope members recognize that many of the amendment suggestions are a direct result of comments shared at the HLWG.

Our analysis was built upon the following principles:

- 1. The Bay Area faces a housing affordability crisis of enormous proportions that has been decades in the making; addressing it will require bold changes that may cause some discomfort, but we must not miss this political opportunity to make significant progress.
- 2. This is not just about housing. The region's transportation challenges are intimately connected to and exacerbated by the lack of availability of housing for all income levels in close proximity to public transit and jobs. Without affordable housing, people simply drive further, causing traffic congestion to worsen and undermining our best efforts to reduce our carbon footprint.
- 3. The region's affordability challenges are intimately connected to the cost of housing. It was the equity analysis in Plan Bay Area 2040 that led ABAG and MTC to call for numerous housing policy changes in the <u>Action Plan</u>. Many of the bills on your agenda today provide an opportunity to address specific components of that plan.

In formulating our recommendations for today, staff sought to find ways to engage with the Legislature in a positive, constructive manner. While we are recommending numerous amendments to bill, we are not recommending any "oppose" positions. We will continue to track the broader set of bills circulating through the Legislature to see which ones survive the next set of deadlines and, if warranted, pursue oppose recommendations this summer.

Attachments: Attachment A: ABAG MTC Housing Legislative Working Group Roster Attachment B: Housing Legislative Working Group's Organizing Principles for Reviewing Housing Legislation Attachment C: 2019 California Housing Bill Matrix Attachment D: Housing Legislative Working Group - Member Comments by Topic and County Attachment E: HLWG Meeting Notes Attachment F: Letters shared by HLWG members related to housing policy

Therese W MoMille

Attachment A Agenda Item 7a



METROPOLITAN TRANSPORTATION COMMISSION



ASSOCIATION OF BAY AREA GOVERNMENTS

BayAreaMetro.gov

ABAG MTC Housing Legislative Working Group Roster

Chair—Julie Pierce, Vice Mayor, City of Clayton

Vice Chair—Jake Mackenzie, Councilmember, City of Rohnert Park

County of Alameda—Supervisor Keith Carson

County of Contra Costa—Supervisor John Gioia

County of Marin—Supervisor Judy Arnold

County of Napa—Supervisor Ryan Gregory

City and County of San Francisco—Supervisor Hillary Ronen

County of San Mateo—Supervisor Don Horsley

County of Santa Clara—Supervisor Susan Ellenberg

County of Solano—Supervisor John Vasquez

County of Sonoma—Supervisor James Gore

Alameda County Mayors Conference— Marilyn Ezzy Ashcraft, Mayor, City of Alameda Lily Mei, Mayor, City of Fremont

Contra Costa County Mayors Conference— Newell Arnerich, Councilmember, City of Danville Laura Hoffmeister, Councilmember, City of Concord

Marin County City Selection Committee— Joan Cox, Councilmember, City of Sausalito Alice Fredericks, Councilmember, Town of Tiburon

Attachment A Agenda Item 7a



METROPOLITAN TRANSPORTATION COMMISSION



ASSOCIATION OF BAY AREA GOVERNMENTS

BayAreaMetro.gov

ABAG MTC Housing Legislative Working Group Roster

Napa County City Selection Committee-Mary Luros, Councilmember, City of Napa Anna Chouteau, Councilmember, City of St. Helena City and County of San Francisco, Mayor-Ken Rich, Development Director, Office of Economic and Workforce Development John Rahaim, Planning Director San Mateo County City Selection Committee— Donna Colson, Mayor, City of Burlingame Cliff Lentz, Councilmember, City of Brisbane Cities Association of Santa Clara County-Larry Klein, Mayor, City of Sunnyvale Margaret Abe-Koga, Vice Mayor, City of Mountain View Solano County City Selection Committee— Ron Rowlett, Mayor, City of Vacaville Anthony Adams, Councilmember, City of Suisun City Sonoma County Mayors and Councilmembers Association— Amy Harrington, Mayor, City of Sonoma Gina Belforte, Mayor, City of Rohnert Park Association of Bay Area Governments-Kevin McDonnell, Vice Mayor, City of Petaluma Metropolitan Transportation Commission—

Trish Munro, Councilmember, City of Livermore

4/16/19

Housing Legislative Working Group's Organizing Principles for Reviewing Housing Legislation

- 1. Funding: More funding is needed. Does the bill provide more funding to help address the housing crisis related to one or more of the 3Ps of protection, production and preservation?
- 2. Production: More housing is needed across the affordability spectrum. Does the bill propose policy changes that are expected/intended to increase affordable and market rate housing production?
- 3. Protection: Does the bill propose ways to reduce displacement pressure on vulnerable Bay Area residents?
- 4. Flexibility: Our communities are unique. Does the bill account for differences across communities?
- 5. Jobs/Housing Balance: Does the bill help reduce jobs/housing imbalances across the region and account for different degrees of imbalance, and allow people to live closer to their jobs?
- 6. Reward Best Practices: Some communities have made great strides in production, preservation, and protection. Does the bill recognize prior actions taken locally consistent with intent of the bill to address the housing crisis?
- 7. Financial Impact: Are there potential financial impacts or other unintended consequences on local jurisdictions and/or taxpayers?
- 8. Transportation & Infrastructure Impacts: Does the bill address transportation or other infrastructure impacts (e.g. schools, water, parks) resulting from increased housing?
- 9. Parallel Policy Mandate: Does the bill support other state policies/priorities (e.g. GHG reduction/SB375)
- 10. Resilience: Does the bill improve resilience in local communities with respect to sea level rise, earthquakes, fire, flooding, etc.?

Shading indicates bills discussed by working group

2019 California Housing Bill Matrix

Last Updated: May 6, 2019 11:00 AM

| Торіс | Bill | Summary | Status as of 5/6/19 |
|--------------------------------|----------------------|---|---|
| | | PROTECTION | |
| | AB 36 (Bloom) | Loosens, but does not repeal, Costa Hawkins to allow rent control to be imposed on single family homes and multifamily buildings 20 10-years or older, with the exception of buildings owned by landlords who own just 10 or fewer one or two units. | Assembly Rules (Non-fiscal; Amended 4/22) |
| Rent Cap | AB 1482 (Chiu) | Caps annual rent increases by five percent an unspecified amount above the percent change in the cost of living and limits the total rental rate increase within a 12 month period to 10 percent . Exempts housing subject to a local ordinance that is more restrictive than the bill. Prohibits termination of tenancy to avoid the bill's provisions. | Assembly Appropriations (Hearing scheduled 5/8/19) (Amended 4/22/19) |
| Just Cause Eviction | AB 1481 (Bonta) | Prohibits eviction of a tenant without just cause stated in writing. Requires tenant be provided a notice of a violation of lease and opportunity to cure violation prior to issuance of notice of termination. | Assembly Third Reading (Passed Assembly Judiciary Committee on 4/30/19; Amended 4/23/19) |
| | AB 1697 (Grayson) | For a lease in which the tenant has occupied the property for 10 ± 2 months or more, prohibits eviction of a tenant without just cause stated in writing. | Assembly Third Reading (Amended 5/`/19) |
| Tenant Organizing Rights | SB 529 (Durazo) | Declares that tenants have the right to form, join, and participate in the activities of a tenant association, subject to any restrictions as may be imposed by law, or to refuse to join or participate in the activities of a tenant association. | Senate Appropriations (Amended 4/30/19) |

| Topic | Bill | Summary | Status as of 5/6/19 | |
|--|----------------------|--|---|--|
| | PROTECTION, cont. | | | |
| Rent Assistance & Access to Legal Counsel | SB 18 (Skinner) | Authorizes a competitive grant program to be administered by Department of Housing and Community Development (HCD) to provide emergency rental assistance and moving expenses and grants to local governments to provide legal aid for tenants facing eviction, meditation between landlords and tenants and legal education. The primary use of grant funds must be for rental assistance. Requires <i>the Department of Consumer Affairs</i> <u>HCD</u> to post all state laws applicable to the tenant-landlord relationship on its web site by January 1, 2021 and to update biannually | Senate Appropriations (Amended 4/23/19) | |
| | | PRODUCTION & PRESERVATION | | |
| | AB 68 (Ting) | Prohibits local ADU standards from including certain requirements related to minimum lot size and parking spaces. Requires an ADU (attached or detached) of at least 800 square feet and 16 feet in height to be allowed. Reduces the allowable time to issue a permit from 120 days to 60 days. | Assembly Appropriations Suspense File | |
| Accessory | AB 69 (Ting) | Requires HCD to propose small home building standards to the California Building Standards Commission governing accessory dwelling units and homes smaller than 800 square feet. Authorizes HCD to notify the Attorney General if they find that an ADU ordinance violates state law. | Assembly Appropriations Suspense File | |
| Dwelling Units (ADUs) | AB 587 (Friedman) | • <i>Authorizes an local agency to allow, by ordinance,</i> an ADU that was ministerially approved to be sold separately from the primary residence to a qualified buyer if the property was built or developed by a qualified nonprofit corporation and a deed restriction exists that ensures the property will be preserved for affordable housing. | Senate Rules (Amended 4/22/19) | |
| | AB 671 (Friedman) | Requires local agencies to include in their housing element a plan that incentivizes and promotes the creation of ADUs that can be offered for rent for very low-, low- and moderate-income households. | Assembly Appropriations (Hearing scheduled 5/8/19) | |
| | AB 881 (Bloom) | Eliminates ability of local jurisdiction to mandate that an applicant for an ADU permit be an owner-occupant. | Assembly Third Reading | |

| Торіс | Bill | Summary | Status as of 5/6/19 |
|---------------------------------|-----------------------|---|--|
| | | PRODUCTION & PRESERVATION (cont'd) | |
| ADUs (cont'd) | SB 13 (Wieckowski) | Maintains local jurisdictions' ability to define height, setback, lot coverage, parking and size of an ADU related to a specified amount of total floor area. Prohibits local agency from requiring the replacement of parking if a space is demolished to construct an accessory dwelling unit. Allows a local agency to count an ADU for purposes of identifying adequate sites for housing. Creates a 10-year amnesty program | Senate Appropriations Suspense File (Amended 4/23/19) |
| | AB 1279 (Bloom) | Requires HCD to designate areas in the state as high-resource areas, by January 1, 2021, and every 5 years thereafter. Makes housing development in such areas "by right" if the project is no more than four units in an area zoned for single family homes or up to 40 units and 30 feet in areas generally zoned for residential, subject to certain affordability requirements. | Assembly Appropriations (Hearing scheduled 5/8/19) |
| Zoning/ Housing Approvals | SB 4 (McGuire) | Allows an eligible transit-oriented development (TOD) project that is located within ¹/₂ mile of an existing or planned transit station and meets various height, parking, zoning and affordability requirements a height increase up to 15 feet above the existing highest allowable height for mixed use or residential use. Exempts a TOD project within ¹/₄ mile of a planned or existing station from minimum parking requirements in jurisdictions > 100,000 in population. Establishes a new category of residential project – a "neighborhood multifamily project" as a project that on vacant land that is allowed to be a duplex in a nonurban community or a four-plex in an urban community and grants such projects ministerial approval. | Senate Governance and Finance (No longer active; provisions of the bill to be incorporated into SB 50 (Wiener)) |

| Topic | Bill | Summary | Status as of 5/6/19 |
|-------|--------------------------------------|---|---|
| | | PRODUCTION & PRESERVATION (cont'd) | |
| (W | B 50 Wiener) B 330 Skinner) | Allows upzoning within ½-mile of transit and in high-opportunity areas <i>in counties with a population > 600,000</i>. Provides for a five-year deferral of bill's provisions in "sensitive communities" that would be defined by HCD in conjunction with community groups. Excludes sites that contain housing occupied by tenants or that was previously occupied by tenants within the preceding seven years or the owner has withdrawn the property from rent or lease within 15 years prior to the date of application. <i>Allows upzoning one-story above the highest allowable height in counties with a population ≤ 600,000</i>. <i>Requires ministerial approval of fourplexes on vacant land</i> Restricts a local jurisdiction or ballot measure from downzoning, establishing or implementing limits on permit issuance or population <i>unless the limit was approved prior to January 1, 2005 in a predominately agricultural county</i>, or imposing building moratoria on land where housing is an allowable use within an affected county or city identified by HCD as having fair market rate percent higher than <i>national statewide</i> average fair market rent for the year and a vacancy rate below percent. Prohibits a city or county from conducting more than <i>five three</i> de novo hearings on an application for a housing development project. <i>Modifies parking requirements to allow 0.5 space/unit, unless an affected city is located in a county with a population of 100,000 or greater or the affected city has a population of 100,000 in population</i> | Senate Appropriations (Substantially amended 5/1/19) |

| Торіс | Bill | Summary | Status as of 5/6/19 |
|-----------------------|----------------------|--|---|
| | | PRODUCTION & PRESERVATION (cont'd) | |
| | AB 724 (Wicks) | Requires HCD to create a rental registry online portal designed to receive specified information from landlords and to disseminate this information to the general public. Requires HCD complete the rental registry online portal by January 1, 2021, and would require landlords to register within 90 days and annually thereafter. Landlords that fail to register would be subject to a \$50 civil penalty per rental unit. Requires a code enforcement officer to report a residential property owned or operated by a landlord subject to the registration requirement to HCD. | Senate Appropriations (Hearing scheduled 5/8/19) (Passed Senate Housing with substantial amendments, 4/22/19) |
| Fees/ Transparency | AB 847 (Grayson) | Requires HCD to establish a competitive grant program, subject to appropriation by the Legislature, to offset the cost of housing-related transportation impact fees. Qualifying recipients would be cities and counties, which may apply jointly with a developer. Projects must be at least 20 percent affordable (specific area median income (AMI) level unspecified) and be consistent with sustainable communities strategy (SCS); Preference for TOD. | Assembly Housing and Community Development (2-year bill) |
| | AB 1483 (Grayson) | Requires a city or county to <i>maintain a current schedule of fees applicable to a housing development project</i> compile of zoning and planning standards, fees, special taxes, and assessments in the jurisdiction. Requires each local agency to post the <i>fee schedule</i> list and all <i>zoning ordinances and development standards</i> on its website and provide the <i>information</i> list to the HCD and any applicable metropolitan planning organization (MPO). Requires each city and county to annually submit specified information concerning pending housing development projects with completed applications HCD and any applicable MPO. | Assembly Appropriations (Hearing scheduled 5/8/19) (Amended 4/29/19) |

| Topic | Bill | Summary | Status as of 5/6/19 |
|---------------------------------|----------------------|--|--|
| | | PRODUCTION & PRESERVATION (cont'd) | |
| Fees/ Transparency, cont. | AB 1484 (Grayson) | Prohibits a local agency from imposing a fee on a housing development project unless the type and amount of the exaction is specifically identified on the local agency's internet website at the time the development project application is submitted. Prohibits a local agency from imposing, increasing, or extending any fee on a housing development project at an amount that is in excess of information made available on its web site. Applicable to all cities statewide, including charter cities. | Assembly Appropriations (Hearing scheduled 5/8/19) |
| | AB 1485 (Wicks) | Modifies affordability requirements applicable to the by-right provisions in SB 35 (Wiener, 2017) such that a project can dedicate 10% of the total number of units to housing affordable to households making below 80 percent of the AMI or 20 percent to households earning below 120 percent AMI with an average income of units at or below 100 percent. <i>Substantially Amended</i> 4/11/19 | Assembly Third Reading |
| Streamlining | AB 1706 (Quirk) | Provides specified financial incentives to a residential development project in the San Francisco Bay Area that dedicates at least 20 percent of the housing units to households making no more than 150 percent AMI. Incentives include exemption from CEQA, a cap on fees, a density bonus of 35 percent, parking reductions and a waiver of physical building requirements imposed on development, such as green building standards. | Assembly Housing and Community Development (2-year bill) |
| | SB 621 (Glazer) | Requires the Judicial Council to adopt a rule of court applicable to an action to challenge an environmental impact report for an affordable housing project, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceeding with the court. <i>Provides that these provisions do not apply to an affordable housing project if it is in certain locations.</i> Prohibits a court from staying or enjoining the construction or operation of an affordable housing project unless it makes certain findings. | Senate Appropriations (Amended 4/30/19) |

| Торіс | Bill | Summary | Status as of 5/6/19 |
|------------------------------------|--------------------|---|--|
| PRODUCTION & PRESERVATION (cont'd) | | | |
| | SB 6 (Beall) | Requires HCD to provide the Department of General Services (DGS) with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. <i>Authorizes HCD to provide local governments standardized forms to develop site inventories and requires that local governments adopting housing elements after January 1, 2021 electronically submit site inventories to HCD.</i> Requires DGS to create a database of that information and information regarding state lands determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website. | Senate Appropriations Suspense File (Amendments accepted and re- referred to Senate Appropriations, 4/23/19) |
| Public | AB 1255 (Rivas) | Requires the housing element to contain a surplus lands inventory and requires the city or county to separately identify those sites that qualify as infill or high density. | Assembly Appropriations Suspense File |
| Lands | AB 1486 (Ting) | Revises the definitions of "local agency" and "surplus land" applicable to the current Surplus Lands Act (SLA) requirement that local agencies provide right of first refusal to affordable housing developers when disposing of surplus land. Revises and clarifies state and local process requirements related to surplus land disposal. Permits 100 percent affordable development on surplus land regardless of local zoning; Provision does not apply to exempt surplus land or land ineligible for state affordable housing financing programs Requires that HCD create and maintain a statewide inventory of local surplus lands. The inventory would be developed from information submitted by local agencies. Expands HCD's enforcement mandate to include the SLA. | Assembly Appropriations |

| Торіс | Bill | Summary | Status as of 5/6/19 | |
|--|------------------------------------|--|--|--|
| | PRODUCTION & PRESERVATION (cont'd) | | | |
| Funding (Note: | AB 10 (Chiu) | Expands the state's Low Income Housing Tax Credit program by \$500 million per year <i>from 2020 through 2024</i> , up from \$94 million, leveraging an estimated \$1 billion in additional federal funds annually. | Assembly Revenue and Taxation (Hearing 5/6/19; Urgency bill, Amended 4/30/19) | |
| Funding is the most relevant category for affordable housing preservation) | AB 11 (Chiu) | Authorizes a city or county or two or more cities acting jointly to form an affordable housing and infrastructure agency that could use tax increment financing to fund affordable housing and infrastructure projects; A minimum of 30 percent of funds would be required to be invested in affordable housing. Requires the Strategic Growth Council approve new agencies and that expenditure plans for such agencies be aligned with the state's greenhouse gas reduction goals. | Assembly Appropriations (Passed Assembly Local Government, 4/24/19) | |
| | AB 1487 (Chiu) | Establishes the Housing Alliance for the Bay Area (HABA), a new regional entity serving the nine Bay Area counties to fund affordable housing production, preservation and tenant protection programs. Authorizes HABA to place unspecified revenue measures on the ballot, issue bonds, allocate funds to the various cities, counties, and other public agencies and affordable housing projects within its jurisdiction to finance affordable housing development, preserve and enhance existing affordable housing, and fund tenant protection programs, Provides that HABA will governed by a board composed of an unspecified number of voting members from MTC, ABAG and gubernatorial appointees and staffed by MTC. | Assembly Appropriations (Amended 4/29/19 to remove governance provisions to allow more time to negotiate this aspect of the bill.) | |
| | AB 1568 (McCarty) | Conditions eligibility for <i>state grants</i> SB 1 local street and road fund on an HCD determination that a <i>jurisdiction</i> jurisdiction's housing element is in compliance with state law, <i>including that a</i> <i>jurisdiction has an HCD-approved housing element and that HCD</i> <i>has not found the jurisdiction in violation of the Housing</i> <i>Accountability Act or Density Bonus law.</i> | Assembly Appropriations (Hearing scheduled 5/8/19) | |

| Торіс | Bill | Summary | Status as of 5/6/19 |
|---------------------|-----------------------|---|---|
| | • | PRODUCTION & PRESERVATION (cont'd) | |
| | AB 1717 (Friedman) | Establishes the Transit-Oriented Affordable Housing Program, to be administered by the California Housing Finance Agency (CalHFA). The program would allow a city or county to participate in the program by enactment of an ordinance establishing a TOD housing district. Such a district would be authorized to use tax-increment finance through a diversion of property taxes, including the school portion, to finance affordable housing projects. Funds would be redirected to CalHFA who would be authorized to issue bonds to pay for the projects. | Assembly Appropriations (Hearing scheduled 5/8/19) |
| Funding (cont'd) | SB 5 (Beall) | Authorizes local agencies to apply to the state to reinvest their share of ERAF (Educational Revenue Augmentation Fund) funds in affordable housing or other community improvement purposes. Sets an initial limit of \$200 million per year for the first five years, growing to \$250 million in 2029. Establishes the Local-State Sustainable Investment Incentive Program which would be administered by a new Sustainable | |
| | | Investment Incentive Committee comprised of state agency representatives and legislative and gubernatorial appointees. Requires at least 50 percent of funds to be allocated for affordable housing and workforce housing and for 50 percent of the units to be affordable. <i>Authorize certain local agencies to establish an affordable</i> | Senate Appropriations Suspense File (Amended 4/23/19) |
| | | Authorize certain tocal agencies to establish an affordable housing and community development investment agency and authorize an agency to apply for funding under the program and issue bonds, as provided, to carry out a project under the program. MTC and ABAG support in concept | |

| Торіс | Bill | Summary | Status as of 5/6/19 |
|----------|-------------------------|---|--|
| | · · · | PRODUCTION & PRESERVATION (cont'd) | |
| Funding | ACA 1 (Aguiar-Curry) | Reduces vote threshold for local bonds or special taxes for affordable housing production, preservation or public infrastructure. MTC and ABAG support | Assembly Appropriations Suspense File |
| (cont'd) | SB 128 (Beall) | Eliminates the voter approval requirement for Enhanced Infrastructure Financing Districts (EIFDs), which can be used to finance affordable housing production and preservation, among other purposes. MTC and ABAG support | Assembly Local Government |
| | AB 725 (Wicks) | Prohibits more than 20% of a <i>suburban or metropolitan</i> jurisdiction's share of regional housing need for above moderate-income housing from being allocated to sites with zoning restricted to single-family development. | Assembly Housing and Community Development (2-year bill) |
| Planning | SB 235 (Dodd) | Allows the City and the County of Napa to reach an agreement under which the county would be allowed to count certain housing units built within the city toward the county's regional housing needs assessment (RHNA) requirement. | Assembly Desk |
| | SB 744 (Caballero) | Requires a lead agency to prepare the record of proceeding for a No Place Like Home project with the environmental review of the project if it is not eligible for approval as a use by right. | Senate Appropriations (Amended on 4/29/19) |

* Amendments are not yet in print and/or staff has not yet incorporated amendments into this matrix.

Housing Legislative Working Group - Member Comments by Topic and County

From HLWG meetings held on 4/5, 4/11, 4/18, 4/25, 2019

| Protection B | Protection Bills | | |
|---------------|---|--|--|
| County | Comments | | |
| Contra Costa | -Legislation should consider the unintended consequences of rent control, such as | | |
| | possible landlord collusion to fix or increase rent prices | | |
| | -AB 36 will weaken the Costa-Hawkins Rental Control Act | | |
| Solano | -One-time funding of SB 18 is a concern | | |
| San Francisco | -Costa-Hawkins had its limitations | | |
| San Mateo | -Preference for local control over tenant protections; would like to see more | | |
| | incentives for landlords to keep rents low and avoid steep increases | | |
| | -Just Cause Eviction Protections should be limited to people earning below a specific | | |
| | (to-be-determined) average median income | | |

| Accessory D | Accessory Dwelling Units | |
|--------------|---|--|
| County | Comments | |
| Alameda | -Favors law allowing ADUs in garages for residences close to major transit centers -Leniency in ADUs helps keep multigenerational families together -Prefab housing could be part of the solution | |
| Contra Costa | -Lower impact fees now that the economy has bounced back. -There should be policies to make ADU creation easier, perhaps a set of standardized preapproved ADU designs to reduce the permitting/architecture costs -Waiving codes can be dangerous – safety concerns -ADUs and JDUs should count toward RHNA requirements -AB 68, SB 13 and AB 69 are generally supportable | |
| Marin | -Marin County is mostly single-family housing. ADUs and junior accessory dwelling units (JADUs) are key. Use ADUs and JADUs and to meet the RHNA requirements with low-and very-low-income housing. We should not have to pay for utility hookup fees for them within existing homes. | |
| Napa | -Whatever laws get passed should allow the flexibility to continue the work Napa has already started on ADUs | |
| San Mateo | -Zoning laws around ADUs are about public safety -Lack of parking requirement with ADUs is a concern -Require that ADUs not to be used for short-term rentals like Airbnb | |
| Solano | -Concern for removing impact fees vis-à-vis utilities systems, which will need updates to meet increased usage -Concern over school funding | |

| AB 1487 – Governance/Funding | |
|------------------------------|---|
| County | Comments |
| San Mateo, | -Retaining local land use authority is crucial. Need to retain local control. |
| Napa, Marin, | |
| Contra Costa | |

Joint MTC Legislation Committee and ABAG Legislation Committee May 10, 2019 Page 2 of 8

| Contra Costa, | Taxes should be on large employers (e.g. a head tax) and proportionally adjusted |
|------------------------------|---|
| San Mateo, | upward in areas contributing the most to the jobs-housing imbalance, such as San |
| Solano | Francisco, San Mateo and Santa Clara |
| AB 1487 – Go | overnance/Funding, contn'd. |
| County | Comments |
| Santa Clara, San Mateo | -Could adversely affect the Caltrain measure going on the ballot in 2020 (1/8 cent sales tax on ballot next year in Santa Clara, San Mateo and San Francisco Counties) |
| Contra Costa, Santa Clara | -Tax increases make the region less competitive economically. Focus instead on redirecting existing online sales tax revenue to the point of sale. |
| Alameda | Proposal for new regional body is not appreciated, given how CASA didn't include smaller cities until after Compact was done, instead of including them earlier in the conversation Concerned the three biggest cities would have disproportionate amount of power in HABA |
| | -If this work needs a regional administrative body, it should be ABAG -Doesn't address jobs-housing balance by city or by sub-region (East/West) -Could worsen social injustice by forcing more low-income workers to commute even greater distances |
| | -More transit investments needed to help people moving to Tri-Valley, Tracy and Stockton get to and from work in Bay Area -Bay Area is already so heavily taxed |
| | -Doesn't address the need to fund more transit, schools, etc. for new residents -What happens when regional tax measures compete with local tax measures? -Bill doesn't take into account the innovative things many cities are already doing |
| Contra Costa | -Housing crisis is a statewide problem and needs a permanent statewide funding source. Sales and parcel taxes are all we have to fund schools, parks and local infrastructure. |
| | -MTC shouldn't be part of this new organization. Issues with the way MTC handled transportation funding and its distribution in the past. |
| | -New regional agency isn't needed to secure or allocate housing funds; the counties can do it. Many have a system in place now to allocate state and county funds. -Can HABA be managed through existing non-profits? |
| Santa Clara | -For linkage fees, the term "mixed use" should be better defined in the bill -Santa Clara passed a \$950 million bond for affordable housing. A regional tax on top of that would cause outrage with residents; double taxation. -Opposed to new layer of regional bureaucracy |
| | -Funds should not be used for general fund as reward for achieving housing goals; should all be for affordable housing directly |
| | -City Association of Santa Clara County supports ABAG playing this role -One job-rich city stated that it is considering limiting future office growth -Concerned about redundancies with funding sources, double taxation (RL notes: with any sales tax increase for housing, the amount would be reduced proportionally |
| San Francisco | in each jurisdiction where a sales tax measures was already dedicated to housing) -Supports AB 1487; the technical assistance and data a regional housing entity could provide cities across the region is a very important part of it -Unlike other urban centers <i>most, if not all,</i> of the Bay Area is unaffordable |

-We do transportation funding regionally, we should do the same for housing. ABAG currently provides regional funding through the San Francisco Estuary Partnership and SF Restoration Authority (\$25 million/year thru regional Measure AA).
-Taxes are not the top contributor to the Bay Area's high cost of living
-Even if SF had not accepted so many new tech jobs, those jobs would have gone somewhere else in the Bay Area

| AB 1487 – Governance/Funding, contn'd. | |
|--|--|
| County | Comments |
| San Mateo | -Prefer to see new resources come from the state -Concerned they would not qualify for the various affordable housing funds; they have not qualified for redevelopment funds in the past -Oppose new regional agency that will only be responsive to three big cities -Recently spent \$150 million to expand local school capacity but will soon need more -Sales and parcel taxes should be dedicated to local needs. -State legislature vote could give counties the direct authority to charge larger employers a head tax |
| Solano | -Few rewards currently for cities/counties contributing to affordable housing. Suisun residents want more housing, but the costs and competitive nature of the Bay Area labor market makes this challenging. More financial help is needed as part of a regional or statewide solution. -Would like to see more of a focus on the jobs-housing balance; would welcome employers such as Facebook or Amazon and house their employees -If MTC and ABAG each get 9 seats on the board, one should be from each county. Bill should specify how counties are represented. -Feels like another example of legislators coming up with big-picture ideas without fully thinking through the many potential unintended consequences. |

| SB 330 – Streamlining Permit Approvals, Upzoning, Substandard Building Upgrades | |
|---|---|
| County | Comments |
| Alameda, Contra Costa, Santa Clara, San Francisco, San Mateo | -Locking in design standards based on 1/1/2018 hinders ability to update and improve local design review; no room for environmental/resilience upgrades; would undo years' worth of work (would nullify Central SOMA Plan per SF) |
| Contra Costa, Marin, Santa Clara, San Mateo | -Parking concerns. Can't lessen parking without addressing traffic and/or transit. Remove parking from bill; parking needs should be addressed at the local level |
| Alameda, Contra Costa, Solano | -Already-approved projects are not being built. Bill doesn't solve this. Investigate developer responsibility/changes in ownership for slowing projects down, not just government responsibility |
| Alameda, San Francisco | -Impact and permit fees are important for local jurisdictions. Schools really need them. Provides what the state doesn't provide. Have to pay for this stuff somehow. |

| | 1 |
|--------------------------------|--|
| Contra Costa, San Francisco | -Clarification needed: when the developer slows the process down by requiring more time or asking for extensions, does that pause the 12-month clock for approvals? |
| | |
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| | |
| SB 330 – Stre | eamlining Permit Approvals, Upzoning, Substandard Buildings, contn'd. |
| County | Comments |
| Alameda | -Residents of affordable housing projects use city services, so why should those buildings be exempt from impact fees? |
| | -Agreed current 5-10 year approval process too long, but 12 months too short. What |
| | about 1-3 years depending on scale and complexity of project? |
| | -Nothing in bill acknowledges funding gap/challenges for affordable housing |
| | -City permitting staff shortages often lead to slower project approvals |
| | -Doesn't address worsening traffic congestion that more housing will create |
| | -Re: substandard buildings provision, there needs to be a balanced approach. |
| | Comparing this to Oakland's Ghost Fire isn't fair – it would not have been allowed |
| | under the proposal given the life safety issues. It's better to have safer, ugly buildings than more tent cities, which is what's happening in Alameda |
| | -Seems to indicate that HABA would be collecting money, but no directive as to how |
| | or what HABA would do with the funding nor any indication of who the members |
| | will be |
| Contra Costa | -Redundant for many local jurisdictions that already have a standardized permitting |
| | process. |
| | -Concerns about one-size-fits-all HCD application form. Let local jurisdictions |
| | customize the form to account for local conditions. |
| | -Clarify the language to say "no state law can take away the redress from the public" |
| | -Language also impacts urban growth boundaries |
| | -Bill doesn't address the "real issues": labor & construction costs |
| | -Needs some exceptions for unintended consequences (for example, Concord Naval |
| | Base -retroactive zoning to current standards would kill this housing project) -Substandard building section creates some major legal liability issues for cities |
| Napa | -SB 330 addresses too many issues & will be ineffective because of it |
| Santa Clara | -An additional application will not fix current permitting pipeline problems |
| | -Streamlined application/approval process shouldn't apply to mixed-use project |
| San Francisco | -Tie timeline for permitting to size and complexity of project (6-24 mo.) |
| | -Objective design standards are a great goal but challenging to implement |
| | -Substandard buildings: need more flexibility & funding for owners to make upgrades |
| San Mateo | -Need allowances for historical and other landmark buildings |
| | -San Mateo has already made changes, so projects consistent with zoning don't even |
| | come to the city council and are just approved by staff |
| | -12 months is not enough time for approvals; allowances need to be made for |
| | extenuating circumstances |
| | -Legal nightmare for states to indemnify cities in substandard building section |
| | - Concern for using a rent standard linked to national standards when it is known |
| | that the Bay Area and California more broadly have the highest rents in the nation |
| | (note: bill doesn't yet specify what percent above the national average rent and |

| | below the national average vacancy rate a jurisdiction's average rent would need to be to fall under the bill's provisions.) -Does 0.5 parking space/unit requirement apply to shared parking or personal parking? |
|--------|---|
| Solano | -Cities have to charge the fees they do because of Prop 13. Fix that first. |

| County | Comments |
|---------|---|
| Alameda | With some amendments, SB 50 deserves our support -Concern that new carve-outs by county population size don't fully address one-size-fits-all problem; would prefer sorting by small, medium, large, really large and isolated cities -Unintended consequence of incentivizing current transit-poor communities to delay or avoid any transit improvements -Jobs-rich provision doesn't address the need to move jobs from West to East Bay, focusing on housing without transportation doesn't address jobs-housing balance -GHG reduction was a major consideration of this bill -Fourplexes seems like "low hanging fruit" to address the housing crisis -Smaller units created by the fourplex regulation would be more affordable by design especially if they must be built within the original blueprint of a house -Is there a way to guard against unintentionally incentivizing poor transit, for example, tying regulations to conditions dating back five years? -Seems to punish cities that have the best jobs-housing balance in the region -Fremont will be adversely impacted, despite having created 5,000 units of housing next to BART; past success is not being accounted for at all -Does not look at ways to use existing reverse commute capacity -Population increases that follow upzoning require more public safety officers, teachers, schools, etc., but bill doesn't identify new funding sources for them |

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| Contra Costa | -Clarification needed on what constitutes a multi-family projects/homes |
|--------------|---|
| | -Combining SB 4 and SB 50 was a good idea |
| | -Re-evaluate and better definition of Sensitive Communities boundaries |
| | -Extra height doesn't always mean more units, since developers feel bigger units = |
| | better profit. Set density requirements instead. |
| | -Fourplexes will change character of existing neighborhoods. |
| | -Developers should be limited to height increases of no more than 50% of the height of adjacent buildings; these heights would gradually increase over time |
| | -Needs to be a better definition of "historical" buildings and districts. |
| | -Mixed reaction to carve-outs for counties under 600,000 people, particularly -for |
| | Marin County, given its proximity to San Francisco |
| | -If a house burns or needs to be demoed, can it be made into a fourplex when the property is being rebuilt? |
| | -Stay out of parking. Building near transit does not reduce the need for parking. We |
| | can't make people ride transit. Cities need authority to set parking standards based on the specifics of each project. |
| | -How do hook-up fees work when a single-family home is being changed to a fourplex, if three extra units require higher capacity water pipes/sewer? |
| | -Legislation needs to address root financial causes of housing crisis: changing lending practices and loss of construction labor force after last recession |
| | -Jurisdiction had 500 units entitled but they aren't being built |
| | -Last week a developer with housing development that was approved in 4 months |
| | asked for 2-year extension because banks only willing to loan 40% on project |
| | |
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| | |

SB 50 – Upzoning, Development Incentives, contn'd.

| County | Comments |
|--------|---|
| Marin | -How does bill considered disabled folks, especially their parking needs? |
| | -Marin's jobs/housing imbalance is not as large as that of the large 5 counties |
| | -Thought that bill's population thresholds give smaller cities a rational, flexible path to |
| | address housing problems, including building duplexes, triplexes, fourplexes |
| | -Support for requiring developers to simultaneously pull permits for both their market |
| | rate and related affordable housing |
| | -Support for adjustment to the ways that developers can pay in lieu funds instead of |
| | incorporating affordable units into their projects |
| | -McGuire and Weiner should work with HCD to figure out how to track outcomes and |
| | measure the success of SB 50 |
| | -Support for fourplexes if 75 percent of exterior walls must remain intact, they |
| | comply with local zoning ordinances and with historic districts in place since 2010 |
| | -Support for Historical Building exemptions |
| Napa | -How will regulations about housing close to rail impact the area around the Napa |
| | Valley Wine Train? |
| | -By-right fourplexes will be a big problem |
| | -How will other local zoning regulations function if fourplex by-right supersedes? |
| | -For smaller cities with smaller staff, these kinds of changes are difficult to track. The |
| | rapid pace of revisions is posing a challenge to small city staffs that are reviewing and |
| | implementing them. |

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| San Francisco | -Where will fourplexes be by-right if SB 50 passes? (*anywhere in the state besides |
|---------------|--|
| | the specific areas excluded, such as high fire-risk, flood zones, etc.) |
| San Mateo | -Does bill apply to homes that are currently used as rentals? |
| | -Can ADUs be built within each fourplex unit, effectively allowing eight-plexes? |
| | -Clarification needed on jobs-rich language |
| | -Does not address the major jobs producers or their significant role in creating jobs- |
| | housing imbalance |
| | -Requests more detailed maps (*Map now available <u>here</u>) |
| | -State should contribute more money to build affordable housing and to buy down existing market rate units (adding affordable units more quickly) |
| | -County-based population thresholds exclude the North Bay. The bill is rewarding |
| | Marin County for not building BART and picking on the Peninsula. Would like to see a |
| | universal standard for the entire region based on jobs/housing balance. |
| | -Other metrics should determine exemptions and mandatory rezoning, like proximity to jobs-rich areas, and past performance regarding building and zoning |
| | -Allowing fourplexes would diminish the opportunity for "smaller entry level homes" for first time home buyers |
| | -"Home share" would be a viable alternative to fourplexes that the state should incentivize |
| | -The threat of these bills made cities get their act together and approve more housing |
| | -If a city rezones in a different way using local input, and that rezoning results in increased housing numbers, the state should accept that approach |
| | -Frustrated that the state keeps enacting housing bills, year after year, and moving |
| | the goal post |
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| | |

SB 50 – Upzoning, Development Incentives, contn'd.

| County | Comments |
|-------------|---|
| Santa Clara | -Bill is trying to achieve too much to be truly successful |
| | -Fourplex component makes it less politically palatable |
| | -Parking needs to be local decision |
| | -Mountain View is just under 50,000 in population in larger county with more than 600,000 people. How the population threshold levels affected them? |
| | -How does this bill interact with SB 330 limits on fees charged to developers? |
| | -Developers should pay in-lieu fees with cities deciding where to put those fees (½ mile radius would be too hard) |
| | -Supports scaling up affordable units required based on the size of project |
| | -Doesn't take into account built-out cities versus cities with undeveloped land or jobs- housing balance of each city |
| | -Would like to see a more even distribution of housing across the region |
| | -Only way to ensure that people live near their work is for the large employers to build worker housing directly tied to employment with that company |
| | -ADUs with no parking is a problem; fourplexes with no parking is a disaster |
| | -How will building additional units change property taxes for certain properties? |
| | -Upzoning through automatic height increases next to transit hubs goes against form- |
| | based zoning principles; results in a proliferation of tall, square boxes |
| | -Bill needs bigger focus on improving/funding transit to reduce traffic congestion |

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| Solano | -Adding in language to secure votes creates more problems |
|--------|--|
| | -Suspicious that the financial aspects of the revised SB 50 would cover the costs |
| | associated with the mandatory re-zoning |
| | -Solano County needs funding to build the many houses that have already been |
| | permitted; will struggle to cover additional costs associated with new development |
| | -There is not a viable funding element |
| | -Will fourplexes be allowed in rural areas? |
| Sonoma | -Will lower parking requirements near transit included disabled parking? |
| | -Concern about the population threshold levels. There should be a middle threshold |
| | number; it's a large jump from 50,000 to 600,000 |
| | -Need clarification on by-right fourplex zoning and how this interacts with other bills. |
| | -Large colleges in the county haven't done their part to address increasing student |
| | housing needs in recent years. The fourplex provision will encourage wholesale |
| | conversion of adjacent single family neighborhoods to student housing. |
| | -Fourplexes could change the feel of current residential areas |
| | -they should look at transit in the same way as they look at jobs-rich areas in the new |
| | amendments |
| | -Can anything be done to address second homes and vacation houses (e.g. AirBnB, |
| | VRBO) to that are removing much-needed housing? |
| | -Housing that cities have permitted takes years to build but housing units illegally |
| | converted to AirBnB can return to housing in 90 days with focused code enforcement |

Meeting Notes from Housing Legislative Working Group Meeting

Date: Friday, April 5, 2019 11 AM-1PM **Location:** Yerba Buena Room, Bay Area Metro Center **Staffing:**

Julie Pierce, Chair Jake Mackenzie, Vice Chair Therese McMillan, Executive Director Adrienne Weil, General Counsel Alix Bockelman, Deputy Executive Director Brad Paul, Deputy Executive Director Rebecca Long, Government Relations Manager Fred Castro, ABAG Clerk of the Board Notetaking by: Lily Rockholt, Civic Edge Consulting

Attendance: Approximately 53 (inclusive of working group members) in person, one working group member and one community member on the phone



Chair Julie Pierce: Welcomed working group members and provided overview of process for the coming month. Noted that the working group has been created to show the diversity of opinions that exist throughout the Bay Area region. To that end, comments will be given directly to the Legislative Subcommittee. She further explained that "we will forward all of the ideas brought forward in the working group sessions – we will not be taking votes. A vote says there is one opinion – we want to share *all* of the opinions that we hear in these meetings."

There's an expectation that working group members will gather feedback from colleagues and members of their community to share at the meetings.

Contra Costa County representatives

- Flagged that the cities of Contra Costa have submitted a joint letter evaluating a number of housing bills currently under consideration. Jobs/housing balance is a particular concern for the county and the region.
- Believes housing is a regional issue.

Solano County representatives

- Prioritize job/housing balance. Noted that there are few rewards currently for the cities and counties making a real contribution towards affordable housing. Believes Suisun residents want more housing, but the costs and competitive nature of the Bay Area labor market makes this challenging. Requests more financial help as part of the regional or statewide solution. Has questions about using the government-owned lands for housing.
- A major concern is return to source funding.

San Francisco County representatives

- Served on the CASA Technical Committee. Interested in seeing parts of CASA compact become part of the solution.
- Has been working on an analysis of bills for San Francisco and wants to work towards a regional solution.

Alameda County representatives

- Would like more recognition for what is being done correctly, especially as one of the Bay's largest cities. Fremont has made strides in transit-oriented development. Would like to continue to focus on workforce development, including apprenticeship programs.
- The City of Alameda is an island community and transit is imperative, especially water transit. Acknowledged that solutions to the housing crisis must be regional.

San Mateo County representatives

- Acknowledged that Brisbane has made major strides towards addressing the housing crisis. Recently they have revised the General Plan to allow for significant (2,500+) additional housing units. Retaining local land use authority was crucial for the Brisbane locals to feel good about making these big changes.
- Burlingame has made major strides in addressing the housing crisis in recent years and will have increased housing units by approximately 20 percent in the next five to ten

years. Would like more acknowledgement and support for the housing advances San Mateo County has made and speaker supports local control.

• Levied sales tax to build affordable housing/farm labor housing in one speaker's district.

Napa County representatives

- Wants to find housing solutions to housing crisis in Napa while retaining local control. Felt many voices were left out of the CASA Compact process and would like to identify solutions that will work in Napa county.
- Small cities have had many challenges with building affordable housing. Napa is losing its middle class, and we want to start looking for solutions.

Marin County representatives

- There are mostly single-family housing Marin's jurisdictions. Interested in creative housing solutions such as accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) and not having to pay for utility hookup fees for the ADUs and JADUs within existing homes.
- Does not want the housing bills to be one size fits all, advocates for creative affordable housing. Emphasizes ADUs and Junior ADUs and using them to meet the RHNA requirements with low and very low-income housing.
- Hopes any legislation will better address the constraints faced by small cities and help to maximize housing production. Hopes for better metrics to analyze the impacts of the proposed legislation. Interested in transactions of properties through school districts. Most interested in measures to fast track ADUs and Junior ADUs.

Brad Paul and Rebecca Long provided a summary of the what staff has heard during CASA Outreach to date and Executive Director Therese McMillian presented proposed Organizing Principles for Reviewing Housing Legislation:

- 1. Funding: Does bill provide more funding to address housing crisis?
- 2. Production: Does bill propose policy changes that help increase production?
- 3. Protection: Does bill propose ways to reduce displacement?
- 4. Flexibility: Our communities are unique. Does bill account for these differences?
- 5. Jobs/Housing Balance: Does bill help reduce jobs/housing imbalances across region?
- 6. Reward Best Practices: Does bill recognize prior successful local actions?
- 7. Financial Impact: What are bills financial impacts on jurisdictions and taxpayers?
- 8. Transportation and Infrastructure Impacts: This was clarified as being inclusive of schools, sewers, and anything else related to physical capacity of a municipality.

Overall the working group was supportive of the eight organizing principles. The notes below indicate requests for further clarifications and additions.

San Francisco County representatives

• Suggested an additional category relating to how the bill impacts GHG reductions.

- **Therese McMillan:** This concern came up in other conversations. Especially in conversations where less housing is being built compared to the jobs.
- **Vice Chair Jake Mackenzie:** Part of the action plan to implement PBA 2040, the Bay Area's Sustainable Communities plan, mandates GHG reduction by state law.
- San Francisco priorities include actually building housing not just improving capacity.

San Mateo County representatives

- Would like to add a metric evaluating (and encouraging) a greater contribution from the business sector. Large corporations should be helping more with the housing crisis given that the jobs the've created in recent years are a major driver of housing demand.
 - **Chair Pierce:** Suggested this might fit under Funding and Jobs/Housing Balance metrics
- Suggested evaluating barriers to implementation and unintended consequences of bills.
- Concerns about the financial aspects of these bills, the potential for gross payroll taxes and the impact on San Mateo County.

Alameda County representatives

• Suggested that sustainability in infrastructure be identified. Look for ways to attract jobs to East Bay to reduce commuting/GHG and increase equity.

Contra Costa representative

• Would like to see an organizing principle added to acknowledge the linkage to the state's greenhouse gas emission targets since where housing is built ties in directly to this.

Marin County representatives

- Wanted to highlight safety namely where housing should be built relative to sea level rise and fire threats.
 - **Chair Pierce:** Suggested this could fit under a Climate Change/Resiliency principle.

Solano County representatives

• Return to source consideration is important for Solano County, so that the county can leverage the funding in the most productive way. Solano can produce affordable housing for significantly less than other parts of the region.

Other Comments

McMillan: Requested any additional feedback on the Transportation and Infrastructure organizing principle.

• **Chair Pierce:** Suggested that ground water and/or other water considerations be considered as a metric.

Report on Housing Bill Landscape

Rebecca Long reviewed a number of bills and requested feedback. Also, asked if there are bills that should be added to the list. Noted she will add a map of sensitive communities to the website as well as a relevant study conducted by the UC Berkeley Terner Center.

Solano County representatives

• Requested clarity on use of "single-family unit" language. Wants to make sure there is not a penalty for multi-generational families sharing a home.

San Mateo County representatives

- Requested time at future meetings to dig deep into key bills.
 - **Chair Pierce:** Noted that there will be a lot of "homework" for the people in this room to the degree that these are important bills.

Alameda County representatives

• A priority is discussing fee structures, how they will be paid, and what they will cover. Concern cities will need help paying for infrastructure associated with increased housing and that proposed fees are too high for cities to pay alone.

Marin County representatives

• Wants to prioritize discussion of SB50 now that it has been substantially amended.

Chair Pierce: Asked if the sample matrix evaluating bills by the various organizing principles appeared to be a viable way to evaluate their contents and requested feedback on how to prioritize the bills themselves. Feedback included instructing staff to select order based on the most influential bills under each of the three Ps (protection, production, and preservation).

Discussion of Future Meeting Agendas

Santa Clara County

• Santa Clara working group members expressed frustration that they will not be ratified in advance of the next meeting on Thursday, April 11.

Public Comment:

- Contra Costa County representative (Commented during public comment because he is not yet ratified): The letter written by Contra Costa cities identifies bills that are not included in this matrix. Requested staff review the letter and add bills as appropriate. Further identified impact fees as a top concern for Contra Costa. Finally, wants an organizing principle related to local control.
- **2. Ken Bukowski:** Concerns about how affordable housing will be funded. Would like to see the working group evaluate bills related to streamlining approvals for homeless

shelters, parking requirements, and traffic. Suggested live broadcasting the meetings to expand their reach.

- **3. Anna Crisante:** Expressed frustration at lack of racial, housing, and age diversity that she observed among working group members. Majority are property owners, no renters (correction one renter). Shared that she had taken time off work to attend meeting and requested they be held outside of regular business hours. Identified affordable housing in Marin as her top priority as well as protecting minorities in the Bay Area as a whole.
- **4. Jane Kramer:** There are community interests, and regional interests, and they may or may not coincide. You are going to have to uncover all the possibilities that are not yet spoken in your communities to come up with the best mesh of ideas.
- **5. Rich Hedges:** Identified as a housing advocate with a focus on job/housing balance. Applauded existing up zoning legislation.
- **6. Anita Enander**, Los Altos City Councilmember: We should clarify language like "high resource areas" and identify areas of ambiguity in the bills.
- **7.** John McKay: Morgan Hill City Councilmember: Wants to review existing legislation as well as new legislation, as it's easier to update existing bills than create new legislation.
- **8. Jason Beses:** He said that he feels this working group is too little too late. Also expressed frustration that MTC is paying for a lobbyist.
- **9. Susan Kirsch**, founder of Livable California: Feels that the success of Silicon Valley is the root cause of the housing crisis.
- **10. Jordan Grimes**, co-leader of Peninsula for Everybody, a tenant protection advocacy group: Wanted to promote regional control of housing production and zoning.
- **11. Emma Ishi**, aide to Alameda County Supervisor Keith Carson: Thank you to all the members here. It is important you go to your communities, and talk to your people to get their opinions. Also, on the steering committee for CASA. Thank you.
- **12. Veda Florez**, member of MTC Public Advisory Committee from Marin county: Thanks for this opportunity. I'd like to talk about guiding principles, protections bills, and add a bullet point to talk to underserved communities. Statewide and regional representatives that speak to underserved communities. Viewed the list of the 3 Ps and there aren't many bills under protections, are we not focusing on them or do they not exist.

Location: Board Room, MTC Staffing:

Rebecca Long, Government Relations Manager Brad Paul, Deputy Executive Director Alix Bockelman, Deputy Executive Director Julie Pierce, Chair Jake Mackenzie, Vice Chair Therese McMillan, Executive Director Cynthia Segal, Deputy General Counsel Fred Castro, ABAG Clerk of the Board Notetaking by: Lily Rockholt, Civic Edge Consulting

Attendance: 26 in person, plus on the phone

Chair's Report

Chair Pierce: Commented that additional members of the Housing Legislative Working Group (HLWG) would be ratified on the evening of April 11.

Director McMillan: Provided an overview of the meeting agenda.

- Noted two new Organizing Principles based on feedback from the April 5 HLWG meeting.
 - Parallel Policy Mandate: Does the bill support other state policies/priorities (e.g. GHG reduction/SB375).
 - Resilience: Does the bill improve resilience in local communities?
- Updates were made to existing Organizing Principles, again based on HLWG feedback
 - Financial Impact now reads: Are there potential financial impacts *or other unintended consequences* on local jurisdictions and/or taxpayers?
 - Transportation & Infrastructure Impacts now reads: Does the bill address transportation or other infrastructure impacts (e.g. schools, water, parks) resulting from increased housing?
- Highlighted that today's meeting would focus on two major housing bill categories: bills related to Tenant Protection and Accessory Dwelling Units (ADUs).
- Asked for feedback on the updated Organizing Principles noting they can evolve over the course of the upcoming discussions.

Comments on Chair's Report

Alameda County

• Would like to see the following incorporated into the Organizing Principles: environmental justice (for example air quality), economic justice (for example commute times) and social justice.

Contra Costa County

- Overall, was supportive of updates. Requested additional clarity on the term "resilience" noting that it can mean many things.
 - **McMillian**: Agreed that "resilience" could be further defined in the next draft.

Chair Pierce: Noted that it's a priority of the HLWG to collect qualitative data for all members. The HLWG will not be voting or providing consensus-based recommendations to the Legislative Committee, as the purpose of the HLWG is to represent the many different perspectives found throughout the region.

Report on Housing Bill Landscape

Long: Read Analysis of Protection-Related Bills (included in agenda packet), noting that none of the bills have been heard by the Housing and Community Development Committee except for SB18, which passed committee.

Comments on Analysis of Protection-Related Bills

San Mateo County

- Expressed preference for local control over tenant protections and would like to see more incentives for landlords to keep rents low and avoid steep increases.
- Proposes that Just Cause Eviction Protections to be limited to people earning below a specific (to be determined) average median income (AMI).

Contra Costa County

- Hopes that legislation will consider the unintended consequences of rent control, such as possible landlord collusion to fix or increase rent prices.
- Believes that AB 36 will weaken the Costa-Hawkins Rental Control Act, notes that the homeless problem in Alameda County is significant.

Solano County:

- States that the jobs/housing balance is affecting Solano County communities even though it does have the most affordable housing in the region.
- Solano has capacity to build the most affordable housing in the Bay Area due to their cheaper land costs.
- Concerned about what happens when the one-time funding of SB18 dissipates.

San Francisco County:

- Notes that Costa-Hawkins had its limitations. Asks about owner move-ins.
 - **Long:** States that if it is in the lease, or major health concerns are involved, they would still be allowed.

Comments on ADU Bill Analysis Matrix:

Long:

• Notes that some of the support and opposition is not completely up-to-date in the ADU Bill Analysis Matrix. For example, the League of California Cities directly opposed AB 68.

San Mateo County:

- Noted that from a practical point of view, some of the zoning laws around ADUs are about public safety such as the fire lane ordinances.
- Brought up concerns about the lack of parking requirement with ADUs.
- Noted that if laws allow ADUs to be sold separately from the primary dwelling, this will require them to have separate hook ups.
 - **Chair Pierce:** Offered that ownership requirements would change the flavor of the communities and would likely have some push back from certain legislators.
- Would like some sort of requirement that ADUs are not to be used for short term rentals, like Airbnb.
- Shared that in some parts of San Mateo county schools are closing due to the lack of students. Despite job growth and a competitive housing market many San Mateo residents don't have children. So, the concern about school capacity isn't shared region-wide.

Alameda County

Urged bills provide for more local control. Would like to see a law allowing ADUs in garages for residences close to major transit centers.
 Historically, many Alameda County ADUs have been used for family members and additional leniency in ADUs helps keep multigenerational families together.
 Noted prefab housing could be a useful part of the solution, that it lessens the impact and timing of the construction.

Solano County:

- Expressed concern for removing impact fees as who will then pay for the utilities systems which will need updates to meet increased usage?
 - **Chair Pierce:** Notes that if the utility hook-ups go through the primary residence, less work is needed.
- Suggests a deeper look at the impact to schools, particularly concerning funding.
 - **Chair Pierce:** Noted that unintended consequences has been added to the "Financial Impact" organizing principle.
- Asked how long before a local jurisdiction must adopt an ADU policy.
 - **Chair Pierce:** Stated they have as much time as they want, but in the interim the state standards will apply.

Contra Costa County:

- Noted that impact fees were increased during the Great Recession to compensate for the utility companies funding gaps. It would be appropriate to lower the fees now that economy has bounced back.
- States that there should be some policies to make the ADU creation easier, perhaps even a set of standardized preapproved ADU designs to reduce the permitting cost, and architecture costs.
- Notes that waiving codes can be dangerous because they are there to ensure the safety of the people living in the home.
- Wants ADUs and JDUs to count toward RHNA requirements.
- Stated that AB 68, SB 13 and AB 69 are generally supportable.
 - **Long:** SB13 would allow them to, but not stated in AB 68 or AB 69.

Marin County:

- Shares that the ADU proposed legislation does not consider narrow legacy roads, and that one size does not fit all. Noted one way that Sausalito has handled differences within the community is by adopting an overlay zone where they really need off-street parking.
 - Chair Pierce: Notes that the narrow streets should be addressed under safety.
- Hopes JDUs will gain some clarity from this round of legislation, notes their ability to increase affordable housing.

Napa County:

• Hoped that whatever laws get passed allow the flexibility to continue the work they have already started on ADUs.

Next Meeting:

Chair Pierce: Asked if anyone would like to suggest items for the next meeting agenda.

Marin County:

- Noted that they thought almost all the housing bills had passed out of the subcommittee.
- Noted there are specific bill that address how to make the schools whole again with all the housing bills that were brought forward.
- Would like to discuss SB 4, SB 5 and SB 6.

Solano County:

- Requests information from the schools since most of these bills directly impact them.
 - **Long:** notes there is a trailer bill with \$500 million in funding to be used for discretionary expenses related to the housing bills.

• Noted that they would like to discuss the bill related to the 75 percent of funds raised for the RHE to come back to the county [AB 1487 (Chiu)] and that they would like this number to be higher.

Contra Costa County:

• Would like to discuss some of the more controversial bills like SB50, AB 1483, AB 1484, AB 1485. For some of the cities and counties, noted these might become a barrier to building affordable housing for them.

Alameda County:

- Would like to discuss AB 1487.
- Voiced concern that the HLWG hasn't taken a more comprehensive approach to these bills, particularly analyzing the jobs housing balance, justice issues and transportation.
- Would also like to discuss alternative ways to get more affordable housing.

San Mateo County:

• Would like to discuss SB 4 and SB 50, anything funding related specifically anything related to the Regional Housing Enterprise [AB 1487].

Public Comment:

- 1. **Rich Hedges**: Appreciated the presence and the comments made today. Shares that San Mateo County has done some great work, and notes that prefab housing could be a powerful contributor to the fight for affordable housing.
 - **Chair Pierce:** Noted that San Mateo County has great resources and directed staff to get the resources to all the working group members.
 - **Horsley:** Mentioned he can bring copies of San Mateo handbooks/physical materials to the next working group meeting.
 - **Heather Peters**: Was a participant on the team of people who produced the materials San Mateo County developed. Noted their Amnesty Program to adopt ADUs made before it was fully legal is launching next month to encourage 3rd party inspector. Shares contact information for those who would like it. <u>Hpeters@SMCgov.org</u>

Closing comments:

Director McMillan: States that the working group members should notify the ABAG/MTC Staff by no later than Monday afternoon if they will be teleconferencing into the meeting.

Joint MTC Legislation Committee and ABAG Legislation Committee May 10, 2019 Page 12 of 25

Host: Housing Legislative Working Group Meeting Date: Thursday, April 18, 2019 7PM-9:30PM Location: Board Room, MTC Staffing:

Julie Pierce, HLWG Chair Jake Mackenzie, HLWG Vice Chair Therese McMillan, Executive Director Brad Paul, Deputy Executive Director Leslie Meissner, Counsel Rebecca Long, Government Relations Manager Kimberly Ward, Committee Secretary Notetaking by: Lily Rockholt, Civic Edge Consulting

Attendance: 20 Working Group members including call-ins.

Chair's Report: Reviewed HWLG procedures for new members.

Report on Housing Bill Landscape:

Long: Described the order of materials in the agenda packet, noted that AB 1485 (Wicks) has been significantly revised so it may not make sense to bring before the group. Proceeded to present on SB 330 (Skinner) and AB 1487 (Chiu).

Discussion related to SB 330:

Marin:

- Asked where SB 330 is now in the legislation process.
 - **Long:** responded that SB 330 was in the Senate Housing Committee, up for vote next Monday. [Note: it passed 8-2]
- Asked if there was any information about the size of the housing projects SB 330 applies to?
 - **Long:** Noted SB 330 applied to all projects that include housing, and the goal was to reduce the timeline for permitting.
 - **Chair Pierce:** Noted SB 330 is about expediting the local process to approve housing projects.
- The impact of parking limitations on fire truck access on narrow legacy roads is a concern.

Contra Costa:

- Asked if voter approval would be eliminated by item 6 in the SB 330 language.
 - **Long:** Stated that this only applies to ballot measures that cap permitting, restrict housing or limit population.
 - Several committee members requested the language be clarified as "no state law can take away the redress from the public."
 - Chair Pierce: Noted this language would also impact urban growth boundaries.

- **Long:** Stated the bill would allow land use policies capping growth that were approved by voters on or before January 1, 2019.
- **Chair Pierce:** Noted the need for MTC staff to check on agricultural zoning.
- Stated that this legislation is redundant for many local jurisdictions that already have a standardized permitting process.
- Questioned ability of HCD to develop a single application form that works well for cities of 20,000 to 800,000. Suggested HCD determine what needs to be included, but let local jurisdictions customize the form to account for local conditions and project size.
- Asked for clarification when the developer slows the process down by requiring more time or asking for extensions; does that pause the 12-month clock for approvals?
- Requested that SB 330 investigate developer responsibility for slowing projects down, not just local governments. For example, when project is permitted but the developer decides not to build, or the project doesn't pencil out. What recourse do cities have? The bill is one-sided.
- Concerned that the bill doesn't address the "real issue" which is labor costs and cost of construction.
- Wondered if time limits could be tied to scale of projects and be less one size fits all.
 - **Long:** Noted SB 330 only applies to projects consistent with local zoning and general plans and that other projects would go through normal approval process.
- Concern that by locking in design standards based on what they were on 1/1/2018, it hinders ability to update and improve local design review by local jurisdictions.
- Stated that parking needs should be addressed at the local level to prevent challenges involving local nuances (smaller communities with little or no transit, fire truck access).
- Stated that this would need to have some exceptions for unintended consequences. For example, the Concord Naval Base that needs to be rezoned in order to be used for housing, notes that the retroactive zoning to current standards would kill this project, therefore killing a large housing project and defeating the purpose of SB 330.
- Felt substandard building section creates some major legal liability issues for cities.

Alameda:

- Asked how a standard form can apply to both small and large cities, it's one size fits all.
- Felt cities, not HCD, should be developing simpler application forms.
- While streamlining approvals is a good idea, there are a number of entitled, approved projects that aren't being built, so streamlining doesn't solve that problem.
- Regarding exempting affordable housing projects from impact fees, residents of such buildings use city services, so why should those buildings not also be subject to fees?
- Agreed current 5-10 year approval process too long, but 12 months too short. What about 1-3 years depending on scale and complexity of project?
- Noted nothing in SB 330 acknowledges funding gap/challenges for affordable housing.
- Stated that city permitting staff shortages often lead to slower project approvals,
- SB 330 doesn't address worsening traffic congestion that more housing will create.
- Setting zoning rules back to 1/1/18 doesn't allow environmental and resilience upgrades.

- Cities need impact fees for schools given major state cut backs on education funding, concern that by capping fees on future development bill would create inequities relative to what prior developments paid
- Re: substandard buildings provision, there needs to be a balanced approach. Comparing this to Oakland's Ghost Fire isn't fair it would not have been allowed under the proposal given the life safety issues. It's better to have safer, ugly buildings than more tent cities, which is what's happening in their community.

Santa Clara:

- Noted an additional application wouldn't fix current permitting pipeline problems.
- Stated streamlined application/approval process shouldn't apply to mixed use projects.
- Noted that SB 330 lessens parking requirements, with no ties to how to transport people, closeness to major transportation hubs or potential impacts on narrow streets. Recommended parking be removed from the bill altogether.
- Noted need to identify funding for more transit if parking requirements are eliminated.
- Stated that impact and permit fees are charged to cover what the state isn't providing local jurisdictions for development infrastructure and increased services for constituents.
- Brought up electrification, and that old zoning rules weren't inclusive of environmental upgrades, going back to 1/1/18 zoning won't be helpful in reducing GHG emissions.

San Francisco:

- There should be a time limit but it shouldn't be uniform; bill should tie timeline for permitting to size and complexity of project (6-24 mo.).
- Asked if the clock stopped when developers are revising their strategies.
- Concerned that recent updates to zoning since 1/1/18 (Central SOMA Plan) would be nullified, which would be very problematic.
- Appreciates concern about impact fees but the need doesn't go away and has to be paid for somehow.
- Noted objective design standards are a great goal but challenging to implement.
- On substandard buildings, understood intent of the bill to keep people housed. While we shouldn't overlook life safety concerns, if basement apartment has 7'3" ceilings but code requires 8' ceilings, allowing a slightly lower ceiling is not a life safety issue. Should also look at providing some funding for owners to make upgrades.

San Mateo:

- Stated some allowances needed to be made for historical and other landmark buildings.
- Noted their city has already made changes so projects consistent with zoning don't even come to the city council and are just approved by staff.
- 12 months is not enough time for approvals; allowances need to be made for extenuating circumstances.
- Noted that some general plans were updated recently (for first time in decades) to allow for more and denser housing, so retroactive zoning and standards (1/1/18) would be unacceptable as they would undo years' worth of work with the community.

• Asked if this could include up-zoning banking, so if certain areas were up-zoned, and another area needed to be downzoned, would this be allowed?

Long: Yes, bill allows for a "no net loss in residential capacity" approach

- State should indemnify cities in substandard building section, a legal nightmare.
- Shared concern for using a rent standard linked to national standards when it is known that the Bay Area and California more broadly have the highest rents in the nation.
 Long: Noted the bill's application is pegged to a national standard, but it doesn't yet specify what percent *above the national average rent* and *below* the national average vacancy rate a jurisdiction's average rent would need to be to fall under the bill's provisions.

Solano:

- Noted ownership changes on projects after approval that slow or prevent construction. A subdivision approved in 2005 has had 3 owners since then and is now dead.
- Noted that Solano County is the most affordable county in the Bay Area region, however they still have a low vacancy rate of two percent.
- Noted Solano County residents have the longest commute times and imposing a 0.5 parking per unit would negatively affect them given county's limited public transit.
- Stated that cities have to charge the fees they do because of Prop 13. Fix that first.
- Concerned allowing legalizing sub-standard buildings because they already had people in them would legalize flop houses, and places deemed unfit due to health hazards.

Napa:

• Stated SB 330 addressed too many issues, thought it would be ineffective because of it.

Public comment:

- 1. Stated allowing sub-standard buildings to be occupied would mean more low-income people living in unsuitable conditions. Finished by stating this entire part of SB 330 should be eliminated.
- 2. Noted this proposed bill doesn't allow for the ongoing protection for some historical buildings and historic districts and that this should be revised.

Discussion related to AB 1487 (Chiu):

Long: Provided an overview of AB 1487, to fund Housing Alliance for the Bay Area (HABA), and explained that it is based on CASA Compact Item 10, the Regional Housing Entity (RHE).

McMillan: Stated that MTC/ABAG has not had the chance to review AB 1487.

Marin:

- Thought the sales tax funding would be problematic for the entire Bay Area, but definitely Marin.
- Questioned the efficiency of creating another government entity.

Napa:

- Asked why ABAG can't do it? Asked who the members of HABA would be.
 - **Long:** Stated they would be representatives of MTC and ABAG, board members, the staff would be MTC/ABAG Staff. The bill specifies that more staff would likely be needed with housing expertise.

Sonoma:

- **Chair Mackenzie:** Noted that ABAG and MTC will be having some deep conversations about the practicality of this, and implementation as well.
 - **Chair Pierce:** Noted these discussions would be happening in July.

Contra Costa:

- Concern that continuing to increase taxes makes the region less competitive economically. Focus instead on redirecting existing on line sales tax revenue to the point of sale.
- Noted the housing crisis is a *statewide* problem and it needs a permanent *statewide* funding source. Sales and parcel taxes are all we have to fund schools, parks and local infrastructure.
- Stated they didn't think MTC should be part of this new organization. Has had issues with the way MTC handled transportation funding and its distribution in the past.
- Noted that a new regional agency isn't needed to secure or allocate housing funds, the counties can do it. Many have a system in place now to allocate state and county funds.
- Wondered if the role of HABA could be managed through existing non-profits.
- Emphasized the taxes should be on large employers (e.g. head tax) and proportionally adjusted upward in areas contributing the most to the jobs-housing imbalance such as San Mateo, San Francisco and Santa Clara County.
- Noted that for linkage fees, the term "mixed use" should be better defined in the bill.
 Long: Noted MTC staff will pass this along to the author.

Alameda:

- Didn't appreciate proposal for new regional body given how CASA didn't include smaller cities until after Compact was done, instead of including them earlier in the conversation.
- Concerned three biggest cities would have disproportionate amount of power in HABA.
- Stated that if this work needs a regional administrative body, it should be ABAG.
- Concerned it doesn't address jobs-housing balance by city or by sub-region (East/West).
- Stated this could increase social injustice by forcing more low-income workers to commute even greater distances to work so they spend more time away from family.
- Urged more transit investments that help people moving to the Tri-Valley, Tracy and Stockton get to and from work in Bay Area quicker and easier.
- Stated that the Bay Area is already heavily taxed. If you increase taxes on residents, they'll have less money to spend on necessities at local businesses.
- Noted this doesn't address the need to fund more transit, schools, etc. for new residents.
- Asked what happens when regional tax measures compete with local tax measures.
- Noted this doesn't take into account the innovative things many cities are already doing.

Santa Clara:

- Noted Santa Clara passed a \$950 million bond for affordable housing. A regional tax on top of that would cause outrage with residents that would see it as double taxation.
- Worried this would adversely affect the Caltrain Measure going on the ballot in 2020.
- Liked idea of using the point of origin sales tax from online transactions to fund housing.
- Opposed new layer of regional bureaucracy. Suggested that all new housing funds go directly to cities by formula. Any money not spent by a city within three years goes back to the county. Opposed any of the funds being used for general fund as reward for achieving housing goals; should all be for affordable housing directly.
- Noted that the City Association of Santa Clara County supports ABAG playing this role.
- One job-rich city stated that it is considering limiting future office growth.
- Shared they are concerned about redundancies with funding sources, double taxation.
 - **Long:** Discussed that with any sales tax increase for housing, the amount would be reduced proportionally in each jurisdiction where a sales tax measures was already dedicated to housing.

San Mateo:

- Prefer to see new resources come from the state.
- Concerned they do not qualify for the various affordable housing funds; they have not qualified for redevelopment funds in the past.
- Affirmed they oppose new regional agency that will only be responsive to three big cities.
- Concern about a drain of resources from small cities going to big ones.
- Noted they recently spent \$150 million to expand local school capacity but will soon need more.
- Brought up Caltrain 1/8 cent sales tax going on ballot next year in Santa Clara, San Mateo and San Francisco Counties, they do not want to tax their county more than the already proposed tax increases. Want to dedicate sales and parcel taxes for local needs.
- Stated they'd be happy with a head tax for bigger employers in their county and suggested state legislature vote to give counties the direct authority to charge larger employers a head tax so big companies can start to make ongoing contributions.

San Francisco:

- Stated support for AB 1487 and felt the technical assistance and data a regional housing entity could provide cities across the region is a very important part of it.
- Noted that unlike other urban centers *most, if not all,* of the Bay Area is unaffordable.
- Noted that we do transportation funding regionally, we should do the same for housing and ABAG currently provides regional funding through the San Francisco Estuary Partnership and SF Restoration Authority (\$25 million/year thru regional Measure AA).
- Taxes aren't the top contributor to the Bay Area's high cost of living.
- Stated that even if San Francisco had not accepted so many new tech jobs those jobs would have gone somewhere else in the Bay Area.

Solano:

- Would like to see more of a focus on the jobs-housing balance, they would welcome employers such as Facebook or Amazon and house their employees as well.
- Liked variable head tax, high in SF and Silicon Valley, low or none in Solano.
- Suggested if MTC and ABAG each get 9 seats on the board, one be from each county. Bill should specify how counties are represented.
 - **Chair Pierce:** Noted that there are lots of small cities on the ABAG Board.
 - **Chair Mackenzie:** Stated that historically MTC has engaged in regional planning and addressed more than just transportation. Noted MTC engagement on housing furthers the implementation of the Plan Bay Area 2040 Action Plan.
- Noted that AB 1487 felt like another example of legislators coming up with big picture ideas without fully thinking through the many potential unintended consequences.

Public Comment:

- 1. Stated he opposed AB 1487 because ABAG and MTC boards have not reviewed the bill or agreed to staff HABA.
- 2. Noted she works for a non-profit organization that worked on AB 1487 with Senator Chiu and believes AB 1487 will go a long way to helping to correct the housing crisis. She doesn't see it as a big agency but more like a storefront operation that provides technical assistance, funding and data to local jurisdictions that want to build more housing. She said she wanted to speak to people after the meeting was over if they had any questions for her or the non-profit she represents. She also said that if people don't like this bill, she would ask them what else they think the state could do to help build more housing.
- 3. On phone: Stated that they should use staff in housing authorities in the region and hire more to scale up to the challenges rather than make an entirely new entity or out of MTC or ABAG staff.

Adjournment/Next Meeting:

They decided to proceed with discussion of SB 50 (Weiner), SB 4 (McGuire and Beall), AB 1279 (Bloom), and AB 1483 (Grayson), at their next meeting on April 25, 2019.

Host: Housing Legislative Working Group Meeting
Date: Thursday, April 25, 2019 7 PM-9:30 PM
Location: Board Room, MTC
Staffing: Julie Pierce, HLWG Chair

Jake Mackenzie, HLWG Vice Chair
Cindi Segal, General Counsel
Rebecca Long, Government Relations Manager
Brad Paul, Deputy Executive Director
Alix Bockelman, Deputy Executive Director
Fred Castro, ABAG Clerk of the Board
Notes taken by Lily Rockholt, Civic Edge Consulting

Attendance: Approximately 21 committee members, including call-ins.

Chair's Report: Reviewed meeting structure for members.

Report on Housing Bill Landscape (Updates)

Long: Stated the most recent amendments to SB 50 (Weiner) are not yet available, so they are not fully incorporated into the presentation and instead staff is working from a summary document. Offered an opportunity to answer any follow-up questions about the last meeting (April 18). Provided an overview of recent amendments to bills.

Alameda:

• Stated that AB 1487 seems to indicate that the Housing Alliance for the Bay Area (HABA) would be collecting money, but there is no directive as to how or what HABA would do with the funding nor any indication of who the HABA members will be.

Sonoma:

- Asked if .5 parking space/unit requirement in SB 330 takes into account transit access.
 - **Long**: Stated that the bill has changed to allow local governments to enforce parking restrictions of up to a .5 space per unit with new developments, but it has not placed further limits near the nexus of transit.
 - **Chair Pierce:** MTC staff will check further and provide HLWG with more information.

San Mateo:

- Asked if .5 parking space/unit requirement applies to shared parking or personal parking.
 - Long: Stated staff would review further and provide HLWG with an answer.

Report on Production Related Housing Bills

Long:

• SB 4 (McGuire and Beale) has been dropped with many of its provisions now to be incorporated into SB 50, so the discussion will focus on that bill.

- Noted additional amendments are planned to SB 50 to clarify how it interacts with current density bonus law and housing affordability requirements.
- Noted SB 50 was amended to impose more rigorous standards to designate High Quality Bus Transit (i.e. minimum of 10 minute headways during the peak commute hours) and limiting the SB 50 height requirements related to rail and ferry stations to counties greater than 600,000 people. The North Bay would not have the extra height provisions for Major Transit Stops.
- Noted there is a "jobs-rich" component which has not yet been explicitly defined. The UC Berkeley Terner Center live link included in the presentation is the closest example to what Senator Weiner's office is considering. Exclusion areas, fire hazard areas, coastal zones are excluded. In the North Bay (counties with less than 600,000 in population) there is some upzoning mandated (one story above current zoning) but only in cities less than 50,000 in population sizes.
- Another amendment allows by-right fourplexes on any vacant residentially zoned property or thru conversion of existing homes. For existing properties, 75 percent of exterior walls must remain intact, but can build up as far as local zoning permits.

Discussion related to SB 50

San Mateo:

- Asked for clarification if the bill applies to homes that are currently used as rentals.
- Asked if ADUs could be built within each fourplex unit, effectively allowing eightplexes.
 - **Long:** Stated that MTC staff will investigate this and the interaction of these bills and report back to the HLWG. Stated that local design requirements remain intact unless they undermine the height or density allowed in the bill.
- Stated they need clarification on the jobs-rich language in SB 50.
- Noted SB 50, as well as the other bills discussed, do not address the major jobs producers or their significant role in creating the jobs-housing imbalance.
- Stated HLWG members would like staff to provide more detailed maps (with street names) for individual cities.
 - **Chair Pierce:** Stated Terner Center map has this level of detail.
 - Long: Stated that MTC has an online map that they are trying to overlay, it is at the parcel level, that staff will share the URL for this Friday, April 26. [Map is posted and available <u>here</u>.]
- Suggested the state should contribute more money to build affordable housing and to buy down existing market rate units (adding affordable units more quickly).
- Expressed frustration that the county-based population thresholds that exclude the North Bay. Feels like the bill is rewarding Marin County for not building BART and picking on the Peninsula. Instead, would like to see a universal standard for the entire region based on jobs/housing balance.
- Prefer that other metrics be used to determine exemptions and mandatory rezoning, like proximity to jobs rich areas, and past performance regarding building and zoning.

- Expressed concern that allowing fourplexes would diminish the opportunity for "smaller entry level homes" for first time home buyers.
 - **Chair Pierce**: Noted SB 50 doesn't allow for complete demolitions of homes.
- Noted they think "home share" would be a viable alternative to fourplexes that the state should incentivize.
- Felt threat of these bills made cities get their act together and approve more housing.
- Stated that if a city rezones in a different way using local input and that rezoning results in increased housing numbers, the state should accept that approach.
- Urged the state to put up more of its money to pay for cities to plan and rezone.
- Expressed frustration that the state keeps enacting housing bills, year after year, and moving the goal post.

Contra Costa:

- Asked for clarification on what constitutes a multi-family projects/homes.
- Thought that combining SB 4 and SB 50 was a good idea.
- Requested reevaluation and a better definition of Sensitive Communities boundaries.
- Stated that giving extra height doesn't always get you more units since developers feel bigger units sell better (with greater profit). Suggested setting density requirements instead.
- Concerned about fourplexes changing character of existing neighborhoods.
- Stated developers should be limited to height increases of no more than 50% of the height of adjacent buildings, noting these heights would gradually increase over time.
- Stated there needs to be a better definition of "historical" buildings and districts.
- Stated mixed reaction to carve outs for counties under 600,000 people, particularly carve outs for Marin County, given its proximity to San Francisco.
- Asked if a house burns or needs to be demoed, can it be made into a fourplex when the property is being rebuilt?
- Urged staying out of parking issues since building near transit does not automatically reduce the need for parking (we can't make people ride transit). Local staff see three bedroom units with one parking space become home to families with 3-4 cars.
- Cities need authority to set parking standards based on the specifics of each project.
- Asked how hook-up fees would work when a single-family home was being changed to a fourplex if three extra units required higher capacity water pipes/sewer laterals.
- Stated legislation needs to address root financial causes of housing crisis including changing lending practices and loss of construction labor force after last recession.
- Stated that their jurisdiction had 500 units entitled but they aren't being built.
- Noted last week a developer with housing development that was approved in 4 months asked for 2-year extension because banks only willing to loan 40% on project.
 - **Chair Pierce:** maybe we need a state bank to make construction loans.

Marin:

- Asked how the bill considered disabled folks, especially their parking needs.
- Stated that Marin's jobs/housing imbalance is not as large as that of the large 5 counties (San Francisco, Alameda, Santa Clara, San Mateo and Contra Costa).
- Thought SB 50's population thresholds give smaller cities a rational, flexible path to address housing problems, including builing duplexes, triplexes and fourplexes.
- Stated support for requiring developers to simultaneously pull permits for both their market rate and related affordable housing.
- Showed support that there would be adjustment to the ways that developers could pay in lieu funds instead of incorporating affordable units into their projects.
- Stated that McGuire and Weiner should work with HCD to figure out how to track outcomes and measure the success of SB 50.
- Support for fourplexes if 75 percent of exterior walls must remain intact, they comply with local zoning ordinances and with historic districts in place since 2010.
- Showed support for the Historical Building exemptions.
- Thought that the addition of the fourplex is a valuable way to add more housing and lessen the housing crisis.

Napa:

- Asked how the regulations about housing close to rail would impact the area around the Napa Valley Wine Train.
 - **Long:** Stated that MTC staff would research and check back in with Napa. [Does not count as a rail station for purposes of SB 50]
- Stated that by right fourplexes would be a big problem.
- Asked how other local zoning regulations will function if fourplex by-right supersedes.
 - **Long:** Stated that SB 50 was mainly aiming for vacant lots. Gave the examples that the setback requirements would be maintained, if the existing structure was there, a homeowner can convert it.
 - **Chair Pierce:** Stated any residentially zoned parcel could increase their units up to four if its largely within the original blueprint.
 - **Long:** Stated the amendments to SB 50 allow for up to 15 percent square footage increase on the ground, or within a second floor for single family units. (Stated staff would clarify that the 15 percent square footage increase is based on existing structure)
- Stated that for smaller cities with smaller staff, these kinds of changes are difficult to track. The rapid pace of revisions is posing a challenge to small city staffs that are reviewing and implementing them.

Alameda:

- Expressed concern that new carve outs by county population size don't fully address one-size-fits-all problem, would prefer sorting by small, medium, large, really large and isolated cities,
- Asked if bill might have unintended consequence of incentivizing current transit-poor communities to delay or avoid any transit improvements.
- Stated jobs-rich provision doesn't address the need to move jobs from West to East Bay, focusing on housing without transportation doesn't address jobs-housing balance.
- Recounted Scott Wiener's statements from April 24 related to share of state's children who are homeless and other shocking statistics (people having to work 2-3 jobs and live in cars) and why SB 50 is so important.
- Stated that with some amendments, SB 50 deserves our support.
- Noted that greenhouse gas reduction was a major consideration of this bill.
- Stated that fourplexes seems like "low hanging fruit" to address the housing crisis.
- Stated that the smaller units created by the fourplex regulation would be more affordable by design, especially if they must be built within the original blueprint of a house.
- Wondered if there was a way to guard against unintentionally incentivizing poor transit, for example, tying regulations to conditions dating back five years.
- Stated bill seems to punish cities that have the best jobs-housing balance in the region.
- Noted that Fremont will be adversely impacted by SB 50, despite having created 5,000 units of housing next to BART and feels past success is not being accounted for at all.
- Stated bill does not look at ways to use existing reverse commute capacity.
- Expressed concern that population increases that follow upzoning require more public safety officers, teachers, schools, etc. but bill doesn't identify new funding sources for them.

Santa Clara:

- Thought this bill was trying to achieve too much to be truly successful.
- Wondered if adding the fourplex component to this bill made it less politically palatable.
- The broken transportation system largely contributed to longer commute times and people being more car-dependent, which is why the parking needs to be local decision. While the VTA comes every 15 minutes, it's so slow between stations no one uses it.
- Mountainview stated that they are just under 50,000 in population in larger county with more than 600,000 people. Asked how the population threshold levels affected them.
 - **Long:** Stated there are no special provisions for smaller cities in larger counties.
- Asked how this bill interacts with SB 330 limits on fees charged to developers.
- Asked if SB 50 will supersede local regulations and requirements related to affordability.
 - Long: Stated that more strict local requirements still stand.
- Stated that given there is less land for affordable housing, supports developers paying in lieu fees with cities deciding where to put those fees (1/2 mile radius would be too hard).
- Supported the scaling up of affordable units required based on the size of project.
- Expressed concern that SB 50 doesn't take into account built out cities versus cities with undeveloped land or jobs-housing balance of each city.
- Would like to see a more even distribution of housing across the region.

- Several people stated that adding housing near jobs doesn't guarantee that people living in that housing will work nearby. The only way to achieve that goal might be for the large employers to build worker housing directly tied to employment with that company.
- Stated that ADUs with no parking is a problem, fourplexes with no parking is a disaster.
- Asked how building additional units changes property taxes for certain properties.
- Upzoning through automatic height increases next to transit hubs goes against formbased zoning principles and will result in a proliferation of tall, square boxes.
- Stated bill needs bigger focus on improving/funding transit to reduce traffic congestion.

Solano:

- Stated that when you start adding language to secure votes you create more problems.
- Stated they were suspicious that the financial aspects of the revised SB 50 would cover the costs associated with the mandatory re-zoning.
- Stated Solano County needs funding to build the many houses that have already been permitted and will struggle to cover additional costs associated with new development.
- Expressed concern that there is not a viable funding element in SB 50.
- Asked for clarification on if fourplexes would be allowed in rural areas.

San Francisco:

- Asked where fourplexes would be by-right allowed if SB 50 passes.
 - **Long:** Stated that they would be allowed by-right anywhere in the state besides the specific areas excluded, such as high fire-risk, flood zones, etc.

Sonoma:

- Asked how the fourplexes will work in unincorporated areas.
 - **Long:** Noted fourplexes would be allowed anywhere that is zoned residential.
 - **Chair Pierce:** Mentioned that likely unincorporated properties were not included in residential permitting.
- Asked if lower parking requirements near transit included disabled parking.
- Stated they appreciated the conversation but do want to keep eye on the low- and very low-income requirement and affordability.
- Stated they worry about the population threshold levels, stated there should be a middle threshold number; it's a large jump from 50,000 to 600,000.
- Asked for clarification on by-right fourplex zoning, and how this interacts with other bills.
- Stated that large colleges in the county haven't done their part to address increasing student housing needs in recent years and worries the fourplex provision will encourage wholesale conversion of adjacent single family neighborhoods to student housing.
- Stated that fourplexes could change the feel of current residential areas.
- Believed they should look at transit in the same way as they look at jobs-rich areas in the new amendments to SB 50.
- Wondered if anything could be done to address second homes and vacation houses (e.g. AirBnB, VRBO) to that are removing much-needed housing.

• Stated that housing that cities have permitted takes years to build but housing units illegally converted to AirBnB can return to housing in 90 days with focused code enforcement.

Public Comment:

- 1. Veda Florez stated that she believed SB 50 should pass, and that she wanted the HLWG to vote in favor of it.
 - **Chair Pierce:** Reminded the HLWG that they are not taking a vote on any of these topics. Purpose is to hear about the bills and gather feedback to inform MTC and ABAG about local perspectives across the region.
- 2. Ken Bukowski: Stated he did not agree with the previous speaker, that these new zoning regulations, especially the fourplexes, won't fit into cities as they currently are.
- 3. Jordan Grimes: Stated that as a younger person who must live with the consequences of the lack of affordable housing, he was disappointed in most of the comments he heard in the HLWG meetings about this.
- 4. Jane Cramer: Stated this is a complicated issue for her, she does not want the neighborhood she lives in to change more, or for a one size fits all model to apply and remove what keeps the individual cities unique. Suggested cities should think about shared housing and shared vehicles.

Adjournment/Next Meeting:

For next week's meeting they decided:

- HLWG members should send in their opinions ahead of time so staff can include these in the presentation and share with other HLWG members
- The agenda would include public lands legislation and streamlining, as well as bills not covered in this meeting.
- They would discuss the housing bill landscape
- MTC Staff would look into extending the meeting in light of some time constraints to make last minute adjustments with the contract for the audio-visual team

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Attachment F Agenda Item 7a



CITY OF HEALDSBURG

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April 4, 2019

To: Senator Mike McGuire Senator Bill Dodd Assembly Member Jim Wood Assembly Member Cecilia Aguiar-Curry Assembly Member Marc Levine Therese W. McMillan, Executive Director, MTC/ABAG

RE: Comments on the CASA Compact Letter of Opposition

On April 1, 2019, the City of Healdsburg City Council received a presentation from City Staff regarding the CASA Compact. While there were compelling parts of the Compact, ultimately the City Council unanimously voted to authorize the Mayor to prepare and submit a letter of opposition on behalf of the City. Many of Council's concerns are consistent with those raised by the Mayors' and Councilmembers' Association of Sonoma County Legislative Committee.

The City of Healdsburg acknowledges that there is a housing crisis in our region and we feel strongly that we have been committed to doing our part to deliver and diversify Healdsburg housing stock while increasing the number of affordable-housing units within our city limits. That being the case, we express our concern and opposition to the CASA Compact as it is a "one size fits all" approach that removes local control and authority to plan and develop in a manner that reflects our local values and standards. Additionally, the CASA Compact has great potential to adversely impact the physical character of Healdsburg and the revenue required to appropriately fund City services and infrastructure projects.

It is somewhat concerning that the process to develop the plan failed to include outreach and meaningful feedback from many of the cities who could be affected by the Compact. At the same time, we recognize the lofty goal of taking action to address the Bay Area's affordable-housing needs. However, we cannot support a plan that could penalize our residents. Healdsburg has a population of 12,061, and through 2018, the City was just one of 24 local governmental agencies -- of approximately 540 local governments in California -- to have met its Regional Housing Needs Allocation (RHNA) goals for the State's prorated lower and above-moderate income categories. In addition, in 2016, Healdsburg voters approved Measure S, which adds a 2% Transient Occupancy Tax to be allocated for affordable-housing programs and projects. The funding from this 2016 voter-approved hotel-tax measure supports the preservation and production of local housing and protects vulnerable populations in need of rental assistance.

Below is an overview of the 10 CASA Compact Elements and identified impacts and concerns to Healdsburg related to the policies listed within the CASA Compact.

Elements 1 - 3: Preserve and Protect

We believe the implementation of just-cause eviction, rent cap and rental assistance policies should be left up to local decision makers. The Healdsburg City Council endorsed a Healdsburg Rent Advisory in 2015, which suggests that a reasonable and fair rent increase amount should not exceed 10% annually. Staff was able to work with local property managers and residents to develop this policy. The Council is currently contemplating a rental-relocation Ordinance as well. These polices are the result of public outreach and a number of meetings with the public that has and will continue to allow the City to create and implement policies that meet the needs of our community. Having a "one size fits all" approach to these issues may not address our community's needs.

Elements 4 – 8: Production

We have concerns related to Elements 5 - 8, as they significantly limit local control by prescribing a "one size fits all" approach, which may not work, and is not a best practice. We do not support allowing for additional density bonuses or dramatically reducing parking requirements unilaterally through a state mandate. While we may agree that parking requirements, housing densities, and limiting density bonuses may create challenges for some high-density development, the solution should be left to local jurisdictions to determine what makes the most sense for individual cities. Our region does not have an adequate transit system to support a mandated approach to parking. In addition, allowing housing up to 75' with a density bonus does not address how smaller cities such as Healdsburg will be able to acquire fire-safety equipment that would allow our fire department to respond to a fire emergency. The cost to purchase, maintain, and house such equipment could be in the millions of dollars.

These elements also attempt to prescribe a State standard for how impact fees are calculated and assessed, and suggest that jurisdictions adhere to a standardized methodology and set of objective standards rather than the current "reasonableness" test which supports a local jurisdiction's approach to managing growth and development. These elements also suggest an imposed cap on impact-fee collection, which ignores the unique capital needs of individual local governments.

The reuse of public land for the creation of mixed-income/affordable housing by reducing barriers to development on public land is an element we do not support as forcing the sale of such properties to a developer runs contrary to the best long-term interests of the public. In addition, there are many cities that own property that were once owned by Redevelopment Agencies and are now used as, "Government Use.". It is unclear how these properties are part of the "reuse" plan and if they could even be utilized without going through the complex process prescribed in the RDA disillusion process.

The CASA Compact references "The 2016-18 Workforce Housing on Public Lands Study," which assessed nearly 700 sites in all nine Bay Area counties for their suitability for new housing development. The study identified two potential parcels in Healdsburg that may be subject to Element 8. Those sites are the West Plaza and Cerri building parking lots. These sites currently provide a large percentage of public parking spaces within our downtown and losing them to a mandate for mixed-income/affordable housing is unacceptable to the City of Healdsburg.

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Elements 9 - 10: Revenue and Administration

Together, these elements offer revenue-generating mechanisms to fund the Compact and suggest the formation of a new independent regional "housing authority" to collect and distribute those funds. The City of Healdsburg has significant concerns related to Elements 9 - 10 as the distribution of funding generated by multiple funding mechanisms is likely to result in an inequitable distribution of such funds. The establishment of a regional leadership entity to implement the CASA Compact creates a regional bureaucracy without accountability for local decisions and has the potential to operate in a counterproductive manner to achieving our local Healdsburg housing goals.

It is the City's hope that any legislation proposed to move the CASA Compact forward will be revised to address funding options without penalizing the City of Healdsburg, as we are clearly and actively working to increase our affordable housing stock. It is critical that any housing legislation does not further erode our ability to plan, design and build towards our community priorities. Rather, we would like to see legislation that would provide cities with tools to work with developers to produce the right type of housing in the right places, while retaining local control. It is disappointing that the proposed funding options listed in Element 9 of the CASA Compact did not include Redevelopment.

The elimination of Redevelopment Agencies in California severely restricted the production of affordable housing throughout California. While we recognize the CASA Compact supports the development of a new redevelopment framework to advance the production of extremely low, very low, and low-income housing while leveraging funding for mixed-income infill housing, it is concerning that it was not listed as a viable funding option in Element 9 of the CASA Compact. There were many other funding suggestions that have not been tested and have already been deemed unworkable in Element 9, excluding redevelopment in this element is concerning.

The 10 CASA Compact Elements propose a "one size fits all" approach designed for the entire Bay Area with respect to housing densities and land-use decision-making. As mentioned above, they also attempt to remove local control and decision-making authority. Additionally, the diversion of existing Healdsburg revenue sources is something we do not support. We oppose any efforts to divert local Healdsburg dollars to a regional enterprise that would send Healdsburg taxpayer dollars outside of our county. It is our City Council's opinion that this approach does not work. Representatives of our Staff have made repeated requests to MTC/ABAG to share its legislative analysis and data on the projected economic impact to Healdsburg. This information has not been shared to-date.

For all of the aforementioned reasons, the Healdsburg City Council has authorized me to prepare a Letter of Opposition consistent with the Mayors' and Councilmembers' Association of Sonoma County Legislative Committee's opposition letter. I strongly suggest you advocate for legislation that would provide cities with tools to work with developers to produce the right type of housing in the right places, while retaining local control as referenced above.

Sincerely,

David L. Hagele Mayor

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Attachment F Agenda Item 7a

Cc:

Scott Haggerty, Alameda County Board Supervisor/MTC Chair Jake Mackenzie, Rohnert Park City Councilmember - Representing Sonoma County and Cities David Rabbitt, Sonoma County Board Supervisor/ABAG President Sonoma County Mayors and Council Members Nancy Hall Bennett, Regional Public Affairs, North Bay Division, League of California Cities April 4, 2019

| The Honorable Steve Glazer | The Honorable Rebecca Bauer-Kahan | |
|----------------------------|-----------------------------------|--|
| California State Senate | California State Assembly | |
| State Capitol, Room 5108 | State Capitol, Room 2154 | |
| Sacramento, CA 95814 | Sacramento, CA 95814 | |

RE: Legislative positions from the Tri-Valley Cities pertaining to priority housing legislation

Dear Senator Glazer and Assembly Member Bauer-Kahan:

On behalf of the Tri Valley Cities which includes Danville, Dublin, Livermore, Pleasanton and San Ramon, we applaud the State Legislature for proposing a legislative package to address the housing emergency in the San Francisco Bay Area and throughout California.

There is a recognized need to address housing and we want to be part of the conversation and solution. As cities in the Bay Area and beyond are experiencing rising housing prices, severe housing instability for its most vulnerable populations, displacement of existing residents of all incomes, and increasing homelessness, we agree that a concerted regional approach is necessary to successfully address many of these challenges.

Consistent with some of the main aspects of the various legislative proposals, some or all of the Tri Valley Cities have already taken or are taking many of these actions, including:

- A range of higher density housing projects already completed projects and adopting development standards for higher density development around its Bay Area Rapid Transit (BART) and Altamont Corridor Express (ACE) stations. Planning for higher density around the proposed Valley Link regional rail system from the San Joaquin Valley;
- Inclusionary housing ordinances that requires low and moderate income housing units to be built on site;
- Accessory dwelling unit ordinance consistent with most recent State laws;
- Plans and transactions for the disposition of significant public lands for affordable housing; and
- 100% affordable projects under construction for low or very-low income households using City Housing Trust fund money.

As a region, we support the following themes:

Balanced Solutions – Housing, Jobs, and Transportation

- Regional solutions need to take a balanced approach that considers housing, transportation/transit, and jobs together. Building housing without adequate transportation infrastructure may exacerbate, not alleviate, the affordable housing crisis.
- Regional transit agencies and MTC must support improved transit services to existing and new neighborhoods and address accompanying funding needs.

Provide, Promote, and Protect Affordability

• Protect existing affordable housing stock, including rental apartments, deed restricted units, and mobile homes, and promote affordable housing that includes long-term affordability agreements.

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 Ensure that all new state mandated incentives, fee reductions, and density bonus program are directly linked to the level and percentage of affordable units provided for each project.

Attachment F

Context-Sensitive Housing

- Avoid "one-size-fits-all" standards for regional housing by ensuring that policies and laws allow for sensitivity to local context. For example, historic districts should be exempt from higher density housing requirements if they are not compatible with the historic context of the area.
- Advocate and facilitate production of ADUs (examples: reduce all fees including those from special districts and utility companies) and encourage development of "missing-middle" housing that is compatible with suburban community character (examples: duplex, triplex and four-plexes, small scale apartment complexes).
- Enable cities to develop locally-appropriate plans that meet State objectives in a manner that is compatible with existing community character. For example, some cities use density-based (rather than height-based) development standards and realistic parking requirements given their distance from reliable and frequent public transit.

Infrastructure and Services

• Mandates for new housing production need to be accompanied by funding that can support expanded transportation, transit, and infrastructure, including planning, and capital improvement programs and funding to support new school facilities.

Funding and Resources

- There should be no net loss of local funding.
- New funding measures should not unduly impact local taxation capacity or divert financial resources from essential local public services and infrastructure programs.
- Any new housing mandates should include funding to offset administrative costs associated with supporting the new program and new reporting requirements. Funding to offset administrative costs could include concepts similar to the surcharge on building permit applications for the Certified Access Specialist (CASP) program.

As it relates to the major housing legislation that has recently been introduced, below are our regional positions:

- Legislative topics regarding "Just Cause Eviction Standards" and the adoption of Bay Area wide requirements. Legislation includes Assembly Bill 36 (Bloom), Assembly Bill 1481 (Bonta), and Assembly Bill 724 (Wicks) and possibly more. TVC Position: Monitor.
- Legislative topics regarding a rent cap within the Bay Area and limits annual rent increases to a "reasonable" amount. Legislation includes Assembly Bill 1482 (Chiu) and possibly others. TVC Position: Monitor.

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 Legislative topics regarding rent assistance and free legal counsel.
 Legislation includes Senate Bill 18 (Skinner) and possibly others.
 TVC Position: Support

 Legislative topics regarding the removal of regulatory barriers to Accessory Dwelling Units. Legislation includes Assembly Bill 68 (Ting), Assembly Bill 69 (Ting), and Senate Bill 13 (Wieckowski). TVC Position: Support.

If there are any opportunities for amendments, we would be supportive of the following:

- Extending the fee limitation/reduction to all passthrough fees (including utility connection fees and school district fees), provided that the fees remain proportionate to impacts generated.
- Developing standardized ADU permit plans in a range of sizes, pre-approved at the State level, allowing for minimal local plan check requirements (reduced plan check time offsets fee limitations).
- Allowing cities to count, by right, ADUs that are "affordable by design" in the RHNA process (examples: count \leq 550 SF ADU as "Low" and 551- 1,000 SF ADU as "Moderate" income units).
- Advocate for standardized Building Codes for ADUs.
- Ensure existing structures are brought up to Code for legitimate Health and Safety reasons.
- 5. Legislative topics regarding minimum zoning near transit for housing.

Legislation includes Senate Bill 50 (Wiener).

TVC Position: Oppose unless amended.

Suggested amendments would include:

- Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit and a balanced land use framework.
- Focus requirement on density not on height (as the latter does not necessarily result in more units) and allow cities to retain design quality control to facilitate local acceptance.
- Establish realistic frequency thresholds to be considered for rail stations, specifically ACE or Amtrak train lines, which have very limited infrequent service.
- Apply density increase as a percentage of adjacent land uses (example: 50% increase in density or height) in acknowledgement that not all communities take the same form near transit lines
- Establish increases contingent upon funding a transit agency's ability to maintain headways for a specified number of years.
- Allow a time period for cities to incorporate these requirements into their General Plans and obtain local feedback.
- Exempt historic districts/downtowns where high-density housing is not compatible with the historic context of the area.
- 6. Legislative topics regarding "Good Government" reforms to the housing approval process. Legislation includes Assembly Bills 1483 and 1484 (Grayson) and Senate Bill 330 (Skinner). **TVC Position: Oppose unless amended.**

Suggested amendments would include:

- Require an "expiration date" for all fees and regulations locked at application completeness to ensure they are applicable to viable projects.
- Eliminates abuse by developers who might "lock" a future application to avoid addressing future federal, state or local requirements that may surface.
- Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.
- Maintain clear and objective standards and controls, and support fee deferral programs that ensure context sensitivity.

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 Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.
 - 7. Legislative topics regarding expedited approvals and permit streamlining to accelerate zoning-compliant projects. Legislation includes Assembly Bill 1485 (Wicks) and Assembly Bill 1706 (Quirk). **TVC Position: Oppose unless amended.**

Suggested amendments would include:

- There should be no net loss of local funding.
- Require outside agencies to cap/reduce fees to stimulate affordable housing.
- Require an "expiration date" for all fees and regulations locked at application completeness to ensure they are applicable to viable projects.
- Eliminates abuse by developers who might "lock" a future application to avoid addressing future federal, state or local requirements that may surface.
- Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.
- Implement and maintain clear and objective standards and controls to ensure context sensitivity.
- Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.
- Consider middle income household definition of 80-120% of area median income, consistent with local standards (instead of 80-150% of AMI), which makes units more affordable.
- 50% parking reduction from local standards should initially be applied only in transit rich areas where residents actually have to option to use frequent and high-quality public transit.
- Projects should be required to agree to a 30-50-year inclusionary requirement to receive the streamlining and financial incentives listed.
- Legislative topics regarding the use of "surplus" and "underutilized" public lands for affordable housing. Legislation includes Assembly Bill 1486 (Ting).
 TVC Position: Support with amendments

1 v C 1 ostion. Support with amendments

- Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.
- Provide clear and objective standards for the definition of "surplus land."
- Should prioritize land around existing or approved transit stops
- Require projects to be consistent with locally adopted land use plans that are already in place (e.g. specific plans) and consistent with objective local standards.
- 9. Creating new revenue streams to help fund future housing projects. Legislation includes ACA 1 (Curry) and AB 1487 (Chiu). In order to collect some of these new revenue streams, there would be the creation of a new regional entity. That legislation includes AB 1487 (Chiu).

TVC Position: Oppose unless amended.

Suggested amendments would include:

No reduction in currently property tax funding

- Define return-to-source funding formula at a city level.
- Regional "fair share" housing assignment (RHNA process) is correlated to level of funding received (i.e., the less regional funding a city receives, the lower the regional housing assignment) (e.g., we do not want to be donor cities).

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Attachment F

- ³⁵ Creating an entity that is not comprised of elected officials does not allow it to be accountable to the voters or local needs, and appears to be structured to exclude local government input.
 - Creating a regional entity introduces another bureaucracy with its own unique set of requirements takes staff time away from facilitating housing production and committing it to report production (in addition to the ones filed with State HCD and Department of Finance).
 - Consider existing agencies that could do the same functions, with additional funding, instead of a new public agency.

In closing, the Tri Valley Cities are grateful for the State Legislature's leadership on these important and difficult issues. We look forward to working with you and other State lawmakers in implementing aggressive regional policy initiatives to address the housing crisis in a way that is compatible and supports the diversity of local realities.

Sincerely,

David J. Haubert John Marchand

City of Dublin Mayor David Haubert

City of Livermore Mayor John Marchand

Gerry The

City of Pleasanton Mayor Jerry T. Thorne

City of Danville Mayor Robert Storer

Bin level

City of San Ramon Mayor Bill Clarkson

| DATE: | May 2, 2019 [Updated to reflect corrected footer] |
|-------|--|
| TO: | Laura Hoffmeister, Conference Chair Gary Pokorny, Executive Director Contra Costa Mayors' Conference |
| FROM: | Michelle Fitzer, Chair Contra Costa Public Managers' Association |
| RE: | Summary of Memorandums related to emerging housing legislation |

Consistent with the interest and discussion at the April 2019 Contra Costa Mayors' Conference on the CASA Compact and rapidly emerging housing legislation, the Contra Costa Public Managers' Association (PMA) – acting as the staff – is including three separate documents for consideration, discussion and action:

| Attachment A: | Recommended Policy Framework on Emerging Housing Legislation | | |
|---------------|---|--|--|
| Attachment B: | Summary and Recommended Policy Position on AB 1487 (Chiu) - the Housing Alliance for the Bay Area Housing Legislation | | |
| Attachment C: | DRAFT Resolution Supporting the Contra Costa County Jurisdictions' Housing and Policy Framework on Housing Matters (for adoption by each city and the county in Contra Costa) | | |

ATTACHMENT A Recommended Policy Framework on Emerging Housing Legislation

| DATE: | May 2, 2019 [Updated to reflect corrected description of Contra Costa PMA] |
|-------|--|
| TO: | Laura Hoffmeister, Conference Chair Gary Pokorny, Executive Director Contra Costa Mayors' Conference |
| FROM: | Michelle Fitzer, Chair Contra Costa Public Managers' Association |
| RE: | Recommended Policy Framework on Emerging Housing Legislation |

The Contra Costa Public Managers' Association (PMA) is an organization comprised of public managers representing the nineteen cities and county of Contra Costa. The Contra Costa PMA works collaboratively to share information, discuss and find solutions on issues of regional significance.

As an association of professionals who are committed to serving the public, the Contra Costa PMA has closely reviewed and discussed the implications of recent efforts at both the regional and state level to address the housing crisis, including the CASA Compact and numerous legislation that have emerged out of that effort. Based on the PMA's analysis and given the rapid rate in which housing legislation is moving through the state legislative process, the PMA recommends that the Contra Costa Mayors' Conference consider adopting the following housing policy framework as a basis for upcoming advocacy work.

RECOMMENDATION

Position Statement: Contra Costa cities recognize and fully *endorse* the need for increased housing opportunities - especially for people earning below the area median income. While we appreciate its intent, the CASA Compact is a high-level document with only limited detail. Small and medium sized cities, representing 66% of the Bay Area population, were not well-represented in its creation.

As such, the Contra Costa Mayors Conference wants to ensure that their member cities' voices are heard as the details of legislation are being crafted and encourages MTC, ABAG and the State Legislature to collaborate with all cities on all housing legislation so that we may collectively formulate feasible solutions to address the Bay Area's housing needs. Therefore, it is the consensus of the Contra Costa Mayors' Conference that:

Balanced Solutions – Housing, Jobs, and Transportation

- 1. **We support** regional solutions that take a balanced approach and consider the needs of housing, transportation/transit, and jobs *together* (never one at the expense of the other). Building housing without adequate transportation or other infrastructure would exacerbate not alleviate the affordable housing crisis.
- 2. **We support** policies that encourage a regional jobs-housing balance as a strategy to lower vehicle miles traveled (VMT) and greenhouse gas (GHG) emissions, and oppose policies that exacerbate it.
- 3. **We support** additional transportation investments to expand the Bay Area transit network to provide connections from job centers to existing as well as planned future housing.

Provide, Promote, and Protect Affordability

- 4. **We support** every city's ability to establish tenant protections as they deem appropriate for their residents.
- 5. **We support** incentives for the production of new accessory dwelling units (ADUs) including (a) streamlining the entitlement process; (b) eliminating all fees including pass-through fees charged by utilities and special districts; (c) developing standardized state-approved floorplans similar to Factory Built Home plans; and (d) counting ADUs by right as *very low, low,* or *moderate* units in the RHNA attainment reporting process.

Context Sensitive Housing

6. **We support** maintaining local control of land use and the entitlement process. We urge the State to recognize that cities control only the entitlement process and have no ability to produce housing, which is a developer- and market-driven process. Therefore, cities should be measured by the number of entitlements approved when calculating RHNA attainment and not be penalized for being unable to produce housing.

7. **We oppose** top-down or one-size-fits-all approaches to land-use decision-making, including those mandating residential densities, building heights and development intensity.

Infrastructure and Services

- 8. **We support** removing barriers to planning communities for all and ensuring that adequate resources are available for existing and new infrastructure (e.g., roads, schools, parks) and municipal services (e.g., public safety) to serve our growing population.
- 9. **We support** utilizing existing local housing authorities which are more familiar with needs of their subregion to serve as the governance structure that administers new affordable housing funds and monitors housing production, rather than establishing yet another state or regional agency to take on that role.

Funding and Resources

- 10. **We support** legislation that will return e-commerce/internet sales tax revenue to the point of sale not the point of distribution as currently mandated to provide cities that have a significant residential base with a commensurate fiscal stimulus for new housing.
- 11. **We support** Governor Newsom's investments proposed in the state budget that will benefit California cities by including a substantial increase in state funding for affordable and workforce housing and addresses the growing homelessness crisis in our state.
- 12. **We oppose** any diversion of existing revenue sources from cities.

As a county, we are grateful for the State Legislature's leadership on these difficult issues and look forward helping to ensure that new housing legislation is crafted in a manner that is compatible with - and supports the diversity of – all local communities. We invite you to partner with cities, small and large, to find solutions to address the housing shortage in a way that is compatible and supports the diversity of local realities. ATTACHMENT B Summary and Recommended Policy Position on AB 1487 (Chiu) - the Housing Alliance for the Bay Area Housing Legislation

| DATE: | May 2, 2019 [Updated to reflect corrected footer] |
|-------|---|
| TO: | Laura Hoffmeister, Conference Chair Gary Pokorny, Executive Director Contra Costa Mayors' Conference |
| FROM: | Michelle Fitzer, Chair Contra Costa Public Managers' Association |
| RE: | Summary and Recommended Policy Position on AB 1487 (Chiu) - the Housing Alliance for the Bay Area Housing Legislation |

Consistent with the Contra Costa Public Managers' Association (PMA) policy framework recommendations on emerging housing legislation, this memorandum summarizes the recently amended Assembly Bill 1487 to establish the "Housing Alliance for the Bay Area," a new regional housing agency for the 9-county San Francisco Bay Area.

SUMMARY

Consistent with a recommendation from the CASA Compact, this bill would establish a new regional government entity to raise revenue (subject to applicable voter requirements) and allocate those funds for purposes of providing tenant protections, affordable housing preservation, and new affordable housing production. As proposed, this new entity would be comprised of 18 voting members, nine (9) from the Metropolitan Transportation Commission (MTC) and nine (9) from the Association of Bay Area Governments (ABAG).

Subsequent to the State of California's dissolution of redevelopment, there is a recognition for affordable housing funding sources. In support of this effort, new revenue sources are welcomed (though it should be noted that the current text of the bill does not ensure an equitable distribution of funds). Of concern is that the bill would

establish a new regional bureaucracy without direct and equal representation by all cities in the Bay Area.

RECOMMENDATION

It is recommended that the Contra Costa Mayors' Conference issue a statement of **support with amendments**, as follows:

- 1. **We support** the establishment of funding sources for the protection and production of affordable housing that is consistent with the will of the voters.
- 2. **We support** establishing a correlation between the "fair share" housing (Regional Housing Needs Allocation or RHNA) assignment and the level of funding allocated. In other words, a city with a lower RHNA assignment would receive less funding.
- 3. **We support** the ability for cities to apply for these funds directly.
- 4. **We support** using an existing housing agency to serve as this revenue collection and distribution agency with additional funding. The agency should be comprised of directly elected officials that represent the diversity of cities in the Bay Area (rather than through appointments from existing regional entities) to ensure accountability to the voters.
- 5. **We oppose** the creation of a new regional bureaucracy with its own unique set of requirements.

As a county, we are grateful for Assembly Member Chiu's leadership on these difficult issues and look forward helping to ensure that any new housing agency is established in a manner that helps – rather than hinder – the production of affordable housing in all areas of the 9-county Bay Area.

ATTACHMENT C

DRAFT Resolution Supporting the Contra Costa County Jurisdictions' Housing and Policy Framework on Housing Matters (for adoption by each city and the county in Contra Costa)

Contra Costa County Jurisdictions' HOUSING AND POLICY FRAMEWORK PROPOSAL









APRIL 2019

PREAMBLE

The jurisdictions taking part in this effort value regional leadership and collaboration to maintain and improve the quality of life for Contra Costa County residents and to create a positive environment for employers. These Contra Costa County jurisdictions recognize the challenges inherent in providing adequate and affordable housing opportunities in the region. Recent efforts at the regional level, namely through the Committee to House the Bay Area (CASA), and by State legislators have brought these challenges and the resultant policy implications for the Contra Costa County into sharper focus. There is a unique opportunity for the Contra Costa County Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local decision making.

Knowing that scores of new housing bills are likely to be introduced by State legislators in 2019 and beyond, the Contra Costa County jurisdictions taking part in this effort recommend a proactive and nuanced approach to advocacy and engagement, with the cities working together. In addition to educating our stakeholders on these issues, our goal is to influence the legislative process and create a shared position on key topics, where possible. While this approach identifies common areas of concern, each city may continue to pursue their own individual areas of concern that are context sensitive to their community.

INTRODUCTION

Contra Costa represents one of the most diverse areas in the State, and each jurisdiction has its own perspective on how to best meet the needs of its resident and business communities. However, many of our interests overlap, which allows for collaboration and advocacy that will strengthen the voice of the Contra Costa County. The Contra Costa County jurisdictions taking part in this effort are committed to open and honest communication with a goal of building consensus and a united approach to address housing legislation as it is developed by State legislators.

The housing challenges in California are real and the current and upcoming legislative cycles will include notable and impactful housing legislation that will be felt statewide, including in Contra Costa County. Recent history has demonstrated that simply opposing legislation has limited effectiveness (and in fact, may be counter-productive) and that jurisdictions will need to collaborate to influence legislative efforts, such as proposing revisions to draft legislation, to address new housing law as it is developed.

BACKGROUND

California's Affordable Housing Crisis & The State's Response

In 2017, the State of California published a report titled, "<u>California's Housing Future:</u> <u>Challenges and Opportunities</u>." The report identifies the severity of the housing shortage across the State and became a backdrop to the State's adoption of a suite of 15 housing-related bills known as the 2017 "Housing Package". The 15 bills focused on:

- Providing funding for affordable housing;
- Streamlining the review and approval process for housing;
- Increasing accountability and reporting requirements for local governments; and
- Preserving existing affordable housing.

During the 2017 legislative cycle many communities (including multiple Contra Costa County jurisdictions) responded to the proposed legislation with an outright rejection of the entire Housing Package. Nonetheless, the 15 bills were signed into law, and in 2018, most local jurisdictions began implementation of these measures in various ways. Key pieces of that recent legislation are outlined later in this Housing Framework.

HOUSING ELEMENT

Purpose

The Housing Element is one of nine mandated elements in a city's General Plan and implements the declaration of State law that, "the availability of housing is a matter of vital statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order." (Gov. Code § 65580)

At the local level, the Housing Element allows the local jurisdiction to approve a communityspecific (local) approach to "how" and "where" housing needs will be addressed to meet the needs of their community. A jurisdiction's Housing Element must be updated every eight years.

For the Bay Area, the current planning period started in 2015 and ends in 2023. The next planning period will run from 2023 to 2031, meaning that local jurisdictions will be updating their Housing Elements in the 2021/2022 timeframe.

Regional Housing Need Allocation (RHNA)

All California cities and counties are required to accommodate their fair share of regional housing need. This fair share assignment is determined through a Regional Housing Needs Allocation (RHNA) process. The California Department of Housing and Community Development (HCD) determines the share of the state's housing need for each region. In turn, the council of governments (COG) for the region allocates to each local jurisdiction its share of the regional housing need. In the nine-county Bay Area, the region's COG is the Association of Bay Area Governments (ABAG). After the RHNA is determined, local jurisdictions must update their Housing Element (and typically identify housing opportunity sites and rezone property) to demonstrate that there is an adequate amount of land zoned, at appropriate density, to achieve its RHNA for the current planning period.

Planning vs. Building; No Net Loss

Under current state law, a jurisdiction is not required to *build* the housing units assigned to it by the RHNA. Rather, it is required to adopt a land use program – appropriate General Plan and Zoning, including identification of specific sites with available infrastructure and suitable physical conditions – to accommodate these housing units under market-driven conditions. The "No Net Loss" laws (adopted in 2017 by Senate Bill [SB] 166) ensure that local governments do not approve projects with less units per income category or downzone these opportunity sites after their Housing Element has been certified. This means that cities cannot approve new housing at significantly lower densities (or at different income categories) than was projected in the Housing Element without making specific findings and identifying other sites that could accommodate these units and affordability levels.

RHNA Cycles & Income Levels

Based on population projections from the California State Department of Finance in the lead-up to the last RHNA, and economic and regional housing market uncertainty (including the "Great Recession"), HCD required the Bay Area to plan for 187,990 new housing units during the current 2015-2023 RHNA cycle.

A RHNA assignment is comprised of four income categories: very low; low; moderate; and above moderate income. Table 1 shows the current combined RHNA for Contra Costa County and its 19 jurisdictions.

Table 1 – Contra Costa County and Cities 2015-2023 RHNA and HousingProduction through 2017

| Income Level | RHNA Allocation by Income Level | Total Permits to Date | Total Remaining RHNA by Income Level |
|----------------|---------------------------------------|--------------------------|---|
| Very Low | 5244 | 401 | 4861 |
| Low | 3075 | 507 | 2568 |
| Moderate | 3458 | 1104 | 2444 |
| Above Moderate | 8802 | 7648 | 1154 |
| Total RHNA | 20579 | 6143 | 11027 |

Source: Department of Housing and Community Development (HCD) Annual Progress Reports

Similar to many communities throughout the Bay Area, the Contra Costa County jurisdictions' RHNA for housing production of very-low, low, moderate, have been modest. In fact, most of the low- and very-low income unit production has been generated by inclusionary zoning¹ requirements, or produced with substantial subsidies from local, state and federal dollars. The production data is indicative of the real challenges faced by local jurisdictions in meeting RHNA for lower income housing in a market-driven environment, where high land and development costs mean substantial subsidy is needed to build each unit, and where local, State and federal funding is inadequate to meet all but a tiny fraction of the need. Cities have the ability to

¹ Inclusionary Zoning = local zoning code standards that require a portion of a market rate project to be provided (and maintained) at below-market-rate.

designate Housing Opportunity Sites; however, with the loss of redevelopment, financing and construction of the housing unit is predominately driven by the private sector.

Certification and Annual Progress Report (APR)

After local adoption, State law provides HCD with the authority to review and "certify" each jurisdiction's Housing Element. To ensure ongoing compliance, the law requires local jurisdictions to submit an annual report to HCD, generally referred to as the Annual Progress Report (APR), documenting the number of housing units in various affordability categories that have been produced over the past year and through the course of the eight-year housing element cycle.

RECENT CHANGES TO STATE LAW

The extensive housing legislation passed in 2017 (as part of the Housing Package) and supplemented in 2018 reflects the seriousness for State leaders to address the affordable housing crisis. Their focus has been largely on holding local governments accountable (increasing reporting and monitoring), curtailing the discretionary review process (streamlining), and identifying new funding sources.

Of the 15 bills passed in 2017 and the follow-on bills passed in 2018, the following are the most relevant and potentially impactful to Contra Costa County communities:

Streamlined Approval (SB 35): SB 35 requires cities to "streamline" the approval process for housing developments if the jurisdiction has not issued sufficient building permits to satisfy its regional housing need by income category. A project would be eligible for ministerial approval if it complies with objective planning standards, meets specifications such as a residential General Plan designation, does not contain housing occupied by tenants within 10 years, and pays prevailing wages. Additionally, projects must restrict 10 to 50 percent of their units to be affordable to households classified as having low- or very low-income (i.e., less than 80 percent of the area median income).

Housing Accountability Act (SB 167, AB 678, AB 1515): The bills affecting the Housing Accountability Act apply to every housing development application, not just those with an affordable housing component. The legislation requires that local governments provide developers with a list of any inconsistencies between a proposed project and all local plans, zoning, and standards within 30 to 60 days after the application is complete or the project will be deemed complete with all local policies. Additionally, if a housing project complies with all "objective" general plan, zoning, and subdivision standards, it may not be denied or have its density reduced unless a city or county can find that the project would have a specific adverse

impact on public health and safety. If a project includes affordable units, a local jurisdiction is responsible for making additional findings to deny the project, reduce its density, or add a condition that makes the project infeasible, even if the project does not comply with all "objective" standards.

No Net Loss (SB 166): State law in place prior to 2017 prohibited cities from downzoning sites or approving projects at less density than identified in their Housing Elements. Under the 2017 modification, if the approval of a development project results in fewer units by income category, the jurisdiction must identify additional sites to accommodate the RHNA obligation lost as a result of the approval and make corresponding findings. This change is significant because, for many cities, the Housing Element will have counted most of the high-density housing sites as producing very-low and low-income units, when actual projects constructed will typically provide only a portion of their units at below-market rates. This means cities will likely need to zone additional land for higher density development to ensure there is an adequate number of sites to meet RHNA, and to make more conservative assumptions about future yield of affordable units on those sites.

Housing Element Requirements (AB 1397): This bill makes many changes to how a jurisdiction establishes its Housing Element site inventory. Of special note, this legislation requires "by-right" approval for projects that offer 20-percent of its units at a rate that is affordable to lower income households.

BART TOD Districts (AB 2923): This bill was passed in 2018 and established minimum local zoning requirements for BART-owned land that is located on contiguous parcels larger than 0.25 acres and within one-half mile of an existing or planned BART station entrance. All cities must adopt conforming standards within two years of BART adopting transit-oriented development (TOD) standards (or by July 1, 2022) that include minimum height, density, parking, and floor area ratio requirements. In addition, all projects must include a minimum 20 percent of units for very low and low-income households. This bill is anticipated to help facilitate BART's plan to build 20,000 units across its network.

PENDING LEGISLATION

Local jurisdictions should expect another round of significant housing legislation in 2019, and likely beyond. In the first three months of 2019, more than 50 new bills dealing intended to spur housing development have been introduced. Two key issues, the CASA Compact and Senate Bill (SB) 50, are discussed in detail below.

See <u>Attachment 1</u> for a more detailed breakdown of 21 pieces of proposed legislation, the CASA Compact elements they relate to, as well as local concerns and recommended approaches for future advocacy work. The Contra Costa County jurisdictions participating in this effort will continue to monitor and advocate as appropriate.

CASA Compact Overview

From this point forward, much of this legislation will likely be informed and influenced by the CASA Compact, which was released in December 2018. The Metropolitan Transportation Commission (MTC) formed CASA to address the affordable housing crisis. CASA is a 21member steering group comprised of major employers, for-profit and nonprofit housing developers, affordable housing advocates, transportation professionals, charitable foundations and elected officials from large cities. CASA's Compact is an ambitious 10-point plan to remedy the Bay Area's housing issues.

The CASA Compact sets out to achieve three goals:

- Produce 35,000 housing units per year (14,000 affordable to low-income and 7,000 to moderate-income, a 60% affordability rate);
- Preserve 30,000 existing affordable units (26,000 of which are market-rate affordable units and 4,000 are at-risk over the next 5 years); and
- Protect 300,000 lower-income households (those who spend more than 50% of income on their housing).

To achieve these goals, the Compact includes 10 Elements (or actions). Below is a brief summary (see Attachment 1 for a more detailed overview):

• Elements 1-3 – Preserve and Protect

Together, these elements represent the "preserve and protect" components of the Compact, including arguments for: just-cause eviction standards; rent caps; and rent assistance and free legal counsel.

• Elements 4-8 – Production

Together, these elements are the "production" component of the Compact, with subcategories, including: accessory dwelling units (ADUs); process streamlining and financial incentives; and using public land for affordable housing.

• Elements 9-10 – Revenue and Administration

Together, these elements offer revenue generating mechanisms to fund the Compact and suggests the formation of a new independent regional "housing authority" to collect and distribute those funds.

The Compact concludes with "Calls for Action," which were ideas that garnered sufficient interest from the CASA steering committee, but not enough to become a standalone element in the Compact. Because these will also generate some legislative interest, those topic areas are also briefly discussed here:

- *Redevelopment 2.0:* Pass legislation enabling the re-establishment of redevelopment in California to provide new funding for affordable and mixed income development.
- Lower the Voter Threshold for Housing Funding Measures: Pass legislation that would apply a 55% threshold for affordable housing and housing production measures.
- *Fiscalization of Land Use:* Pass legislation that would return e-commerce/internet sales tax revenues to the point of sale not at the point of distribution as it is currently to provide cities that have a significant residential base with a commensurate financial incentive to develop new housing. Also, pass legislation that would change the Proposition 13 property tax allocation formula to provide cites that build more housing with a higher share of property tax revenue.
- *Homelessness:* CASA's funding package includes resources that help produce housing for formerly homeless people and prevent homelessness when possible.
- *Grow and Stabilize the Construction Labor Force*: Increase the construction labor pool by requiring prevailing wages on projects that receive incentives, calling upon the State to improve the construction employment pipeline, and creating a CASA/state labor workgroup to implement.

Concluding Thoughts Regarding CASA

The intent of the CASA Compact is to serve as state legislative research data for future housing legislation. Specifically, its development timeline is driven by the desire to place elements of the Compact on the ballot in the 2020 General Election. While some jurisdictions are likely to support the philosophical principles of the CASA Compact, many have expressed concerns that revolve around three main issues:

- One-Size-Fits-All Approach: The Compact proposes one-size solutions that may be effective in large urban cities but can be counterproductive in smaller suburban and rural communities. As an example, rent caps may disincentivize multifamily housing production in suburban communities. In another example, mandating high density housing near transit lines presumes transit service remain static when in fact that is not the case in suburban communities.
- Potential to Jobs/Housing Imbalance: The Compact's singular focus on housing
 production throughout the entire region minimizes the fact that the most acute housing
 pressure is focused in three of the nine counties in the Bay Area (San Francisco, San
 Mateo and Santa Clara), where most of the jobs are being created. Imposing housing
 production in far reaches of the Bay Area, including certain areas of Contra Costa
 County, would not alleviate the crisis in the three counties with the largest employment
 centers. Instead, it would likely induce significant congestion and exacerbate the
 jobs/housing imbalance. A more reasonable approach could be to adjust the production
 requirements based on a county's existing housing supply.

• Absence of Public Engagement: One of the most concerning aspects of the Compact is the absence of a transparent public process that would have incorporated input from those most affected - the general public and cities throughout the region. An often-repeated concern is that this top-down approach is not only ill-informed of the issues highlighted above but could breed anti-growth sentiment that would actively resist reasonable measures to build or fund affordable housing in the future.

Equitable Communities Incentive (SB 50)

SB 50 is an evolution of Senator Wiener's 2018 proposed bill, SB 827. It is a developer opt-in bill that would require a city or county to grant an "equitable communities incentive," which is a waiver from maximum controls on density, height, and parking spaces per unit, and up to three concessions (such as deviation from setbacks or other development standards), if the project provides low, very low or extremely low income housing and is located in a "job-rich housing project" or "transit-rich housing project," as defined below:

"Transit-rich housing project" means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

"Job-rich housing project" means a residential development within an area identified by the Department of Housing and Community Development and the Governor's Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs.

The League of California Cities Housing, Community and Economic Development Policy Committee (HCED) discussed SB 50 at their January 17, 2019, meeting. HCED took a position to oppose the bill unless amended. Understanding that Senator Weiner is the Chair of the Housing Committee, along with the political make-up of the Senate and Assembly, HCED formed a subcommittee to explore amendments to SB 50 to make it more amenable to cities and will be presented and discussed further at a later time.

A summary of SB 50, which was presented to HCED on January 17, 2019, is included as <u>Attachment 2.</u>

PROACTIVE APPROACH TO LEGISLATIVE ADVOCACY

Below is a discussion of "key themes" to consider while informing, influencing, and advocating, on the topic of housing.

Key Themes

Balanced Solutions – Housing, Jobs, and Transportation

- Regional solutions need to take a balanced approach that considers housing, transportation/transit, and jobs together. Building housing without adequate transportation infrastructure may exacerbate, not alleviate, the affordable housing crisis.
- Regional transit agencies and MTC must support improved transit services to existing and new neighborhoods and address accompanying funding needs.
- Until the transportation and transit infrastructures are improved and ready to accommodate the new housing growth, focus initial efforts to producing housing in the counties where the jobs are located and where the jobs/housing ratio is at its worst.
- Incentivize employers to locate in housing-rich environments.

Provide, Promote, and Protect Affordability

- Protect existing affordable housing stock, including rental apartments, deed-restricted units, and mobile homes, and promote affordable housing that includes long-term affordability agreements.
- Ensure that all new state mandated incentives, fee reductions, and density bonus program are directly linked to the level and percentage of affordable units provided for each project.

Context-Sensitive Housing

- Avoid "one-size-fits-all" standards for regional housing by ensuring that policies and laws allow for sensitivity to local context. For example, historic districts should be exempt from higher density housing requirements if they are not compatible with the historic context of the area. Provide flexibility to cities that have demonstrated that they are working towards meeting their RHNA numbers.
- Advocate and facilitate production of ADUs (examples: reduce all fees including those from special districts and utility companies) and encourage development of "missing-

- middle" housing that is compatible with suburban community character (examples: duplex, triplex and four-plexes, small scale apartment complexes).
- Enable cities to develop locally-appropriate plans that meet State objectives in a manner that is compatible with existing community character. For example, some cities use density-based (rather than height-based) development standards and realistic parking requirements given their distance from reliable and frequent public transit.

Infrastructure and Services

• Mandates for new housing production need to be accompanied by funding that can support expanded transportation, transit, and infrastructure, including planning, and capital improvement programs and funding to support new school facilities.

Funding and Resources

- There should be no net loss of local funding.
- New funding measures should not unduly impact local taxation capacity or divert financial resources from essential local public services and infrastructure programs.
- Any new housing mandates should include funding to offset administrative costs associated with supporting the new program and new reporting requirements. Funding to offset administrative costs could include concepts similar to the surcharge on building permit applications for the Certified Access Specialist (CASP) program.

NEXT STEPS

- Housing and Policy Framework Workshop for Mayors and City Councilmembers
- Develop engagement materials that highlight the narrative regarding key themes

ATTACHMENTS

- 1. CASA Compact Legislation Summary & Recommendations
- 2. SB 50 Overview

RESOLUTION NO.

RESOLUTION OF THE [_____] CITY/TOWN COUNCIL SUPPORTING THE CONTRA COSTA COUNTY JURISDICTIONS' HOUSING AND POLICY FRAMEWORK ON HOUSING MATTERS

WHEREAS, the Contra Costa County Jurisdictions' recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

WHEREAS, in January of 2017, the State of California published a report titled "California's Housing Future: Opportunities and Challenges," which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide "housing crisis"; and

WHEREAS, in September of 2017, California Governor Jerry Brown signed into law the "Housing Package" consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

WHEREAS, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

WHEREAS, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

WHEREAS, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

WHEREAS, the State's focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local Jurisdictions'; and

WHEREAS, the Contra Costa County Jurisdictions' recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

WHEREAS, there is a unique opportunity for the Contra Costa County Jurisdictions' to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control of decision making; and

WHEREAS, the Contra Costa County Jurisdictions' affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

WHEREAS, the <u>Contra Costa County Jurisdictions' Housing and Policy</u> <u>Framework</u> provides a comprehensive approach, reflecting the following Key Themes:

- Balanced Solutions Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

WHEREAS, the Key Themes are topic areas where there is consensus among the Contra Costa County and its respective cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

WHEREAS, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

WHEREAS, the _____ City/Town Council met on _____, 2019 to consider and discuss the Contra Costa County Jurisdictions' Housing and Policy Framework;

NOW, THEREFORE BE IT RESOLVED THAT THE _____ CITY/TOWN COUNCIL DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

Section 1. The <u>Contra Costa County Jurisdictions' Housing and Policy Framework</u> is hereby supported on matters related to housing legislation.

Section 2. The Contra Costa County Jurisdictions' may from time-to-time revisit the <u>Contra Costa County Jurisdictions' Housing and Policy Framework</u> to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

<u>Section 2</u>. The Mayor and City Manager are authorized to take positions on behalf of the City in regard to pending legislation consistent with the Contra Costa Jurisdictions' Housing and Policy Framework and to communicate those positions to interested parties on behalf of the City Council. PASSED, APPROVED AND ADOPTED by the _____ City [Town] Council on March ____, 2019.

I, _____, City [Town] Clerk of the City [Town] of _____, California, certify that the foregoing resolution was adopted by the City [Town] Council at a regular meeting held on the ____ day of March 2019, by the following vote:

Ayes: Noes: Absent: Abstain:

City/Town Clerk

APPROVED AS TO FORM:

City/Town Attorney



Cities Association of Santa Clara County: Position Paper on Housing

The Cities Association of Santa Clara County (CASCC) is an association of the fifteen cities of the county that works collectively to discuss and find solutions on issues at a regional level.

CASCC recognizes the need for increased housing opportunities, especially for people earning below the area median income. We fully **endorse** local and regional efforts to encourage the production of more housing, preserve and increase subsidized below market rate housing at moderate- and below-income levels, and provide benefits to minimize the impact for current residents in rapidly changing neighborhoods.

The CASA Compact is a high-level document with only limited detail. Small and medium sized cities were not well represented in it's creation yet represent 66% of the Bay Area population. CASCC wants to ensure that their member cities' voices are heard as the details of legislation are being crafted. CASCC further encourages MTC, ABAG and the State Legislature collaborate with all cities on the ideas contained within the CASA Compact so that we can collectively formulate workable solutions to address the Bay Area's housing needs. It is the consensus of the CASCC that:

We support legislation that will provide voters statewide with the opportunity to apply a 55 percent threshold for revenue generating ballot measures for investments in affordable housing and housing production.

We support legislation that will return e-commerce/internet sales tax revenue to the point of sale – not the point of distribution as currently mandated – to provide cities that have a significant residential base with a commensurate fiscal stimulus for new housing.

We support Governor Newsom's investments proposed in the state budget that will benefit California cities including a substantial increase in state funding for affordable and workforce housing and to address the growing homelessness crisis in our state.

We support incentives for the production of new accessory dwelling units to streamline the entitlement of those ADU's.

We support removing barriers to planning complete communities, ensuring that adequate resources are available for new schools and parks to serve our growing population.

We support additional transportation investments to expand the Bay Area transit network that provide connections from job centers to existing housing as well as planned future housing.

We support establishing tenant protections as cities deem appropriate for their residents.

We support maintaining local control of the entitlement process. We urge the State to recognize that cities control entitlements, while developers build. Cities should therefore primarily be measured by entitlements when calculating RHNA attainment, and not penalized when funding is inadequate to build affordable housing.

We support ABAG, an elected body, to serve as the governance structure that administer new affordable housing funds and monitor housing production rather than establishing yet another agency to take on that role.

We oppose a one-size-fits-all approach to housing densities and land-use decisionmaking.

We oppose any diversion of existing revenue sources from cities.

Cities in Santa Clara County are actively addressing the housing shortage.

- All 15 cities have State-approved plans for new housing growth.
- Permits for 30,000 new residential homes have been approved since 2015 which represents over 50% of the state's housing goal for Santa Clara County of 58,836 new homes by 2023.
- Over 6,000 new residential units were approved in Santa Clara County in 2018.
- Santa Clara County voters increased local taxes to support \$950 million in affordable housing funds. As of 2018, \$234 million has been invested for 1,437 new multi-family units and 484 rehabilitated units.
- The Cities Association of Santa Clara County is leading the effort to form a 2023-2031 RHNA Sub-Region within the County.

About us: The Cities Association of Santa Clara County is an association of the fifteen cities of the county and the elected representatives of more than 1.9 million Bay-Area residents. Since 1990, the city representatives have been gathering to discuss and find consensus and solutions for regional issues. The cities of our association are diverse and include cities of a few thousand people and a city of a million people.

Joint MTC Legislation Committee and ABAG Legislation Committee May 10, 2019 Page 1 of 13 Handout Attachment E Agenda Item 7a

Host: Housing Legislative Working Group Meeting Date: Wednesday, May 1, 2019 3-7 PM Location: Board Room, MTC

Staffing:

Julie Pierce, HLWG Chair Jake Mackenzie, HLWG Vice Chair Therese McMillan, Executive Director Brad Paul, Deputy Executive Director Alix Bockelman, Deputy Executive Director Rebecca Long, Government Relations Manager Georgia Gann Dohrmann, Associate Manager of Government Relations Matt Lavrinets, Senior Counsel Cindi Segal, Senior Deputy General Counsel Fred Castro, ABAG Clerk of the Board Notes taken by Lily Rockholt, Civic Edge Consulting **Attendance:** Approximately 23, including call-ins.

Chair's Report: Reviewed meeting structure for members, thanked members for their time and ongoing commitment to the meetings. Chair Pierce met with Assemblymember David Chiu to discuss housing bills. She highlighted the value of providing feedback to Sacramento, particularly with

Assemblymember Chiu's bills.

- Vice Chair Mackenzie mentioned that he texted with Assemblyman Chiu and told him that MTC Chair Haggerty and ABAG President Rabbitt were creating a committee to discuss MTC/ABAG governance issues.
- Chair Pierce mentioned that Chiu may also make AB 1487 a 2-year bill.

Report on Housing Bill Landscape Changes

Long:

- Stated that both bills related to Just-Cause Evictions have passed out of committees and are now on the Senate Floor. (AB 1481/Bonta and AB 1697/Grayson).
- Stated that Chiu removed references to MTC and ABAG each appointing nine representatives to serve on a governing board of the agency in AB 1487, leaving those details purposely vague so they could be worked out later by the two agencies.

Contra Costa:

- Asked if all the staffing language was removed from AB 1487. Noted he saw the language for working members.
 - **Long:** Clarified that MTC is still designated to staff to the agency.

Sonoma:

- Asked if AB 1487 had defined the sources for funding that the Housing Alliance for the Bay Area (HABA) planned on using.
 - **Long:** Stated intent of AB 1487 is to raise more money for affordable housing, there will have to be a lot of work before funding levels and revenue rates are determined.

Report on Housing Bills

Comments and Suggestions about AB 1279 (Bloom)

Long:

- Stated AB 1279 is viewed as a progressive alternative to SB 50, mandating up-zoning in high resource areas, even those that are not zoned for residential.
- Areas zoned for single family homes would allow fourplexes by-right but would require new units to be affordable to 100 percent AMI or pay an in-lieu fee.
- She noted there would be exclusions for environmentally sensitive areas.
- She noted the high-level comments she received from working group members included:
 - \circ $\;$ Concern about the definition of high resource areas.
 - Concern about financial impact and infrastructure impact.
 - Concern about lack of local control.
 - How it impacts school's funding.

Napa:

- Shared concerns for lack of local control and overriding of local restrictions. Stated a desire for better maps in order to fully understand impacts on individual jurisdictions.
- Expressed concern over lack of specific definitions in AB1279 (e.g. high resource areas).
- Expressed appreciation for inclusion of an appeal process, but concern that it could be challenging for smaller cities with less staff. Definitions in this section need improvement.
- Asked if AB 1279 would consider other kinds of affordable housing and solutions.
- Asked if there could be a tax credit, or a fund that prioritizes building affordable houses or providing resources with which to build affordable housing for smaller communities.
- Expressed concern that since this could greatly affect the character of neighborhoods, not having precise definitions and maps re: "high resource areas", is a problem
- Stated that cities not knowing where these new housing developments could occur will be challenging for city planning, also resource planning.
- Asked if bill could include above market housing that needs 50+ units to pencil out.

Sonoma

- Expressed concern that developers could buy up single family homes next to existing colleges, convert them to fourplexes, fill them with as many students as possible and turn whole neighborhoods into dormitories for the nearby schools.
- AB 1279 has potential to increase number of units that could be built beyond what is currently zoned in a neighborhood. Could we set upper limit on number of units per city?

Marin:

- Opposed to the lack of clarity around how "high resource areas" will be defined and where AB1279 would apply.
- Stated that AB 1279 conflicts with the density being allowed now, versus what is being proposed.

San Mateo:

- Asked from the author's perspective, what is the definition of "high opportunity areas?"
 - **Long:** Noted it's not the same as high density, has more to do with the presence of good schools, good jobs and a low risk of displacement.
- Expressed concern the areas of development targeted could be more rural areas, rather than those with good public transportation since one of the goals is to reduce traffic and greenhouse gas emissions.
- Stated AB 1279 is difficult to evaluate due to the lack of clear and specific definitions.
 Long: Stated that AB 1279 is in its early in stages of development.
- Concerned about the impact on the area around Stanford if single family homes can automatically be converted to by-right fourplexes and turned into student dorms.
- Expressed concerns about overriding a local jurisdiction's current inclusionary housing minimums. Worried that higher inclusionary levels that might pencil out in SF will be too high in other cities and despite these re-zonings, no housing will actually get built.
- Stated San Mateo County elected officials are not sure this would accomplish the goal of more affordable housing, that this legislation is one size fits all.

San Francisco:

- Noted AB 1279 high resource area regulations would impact land zoned to be exclusively commercial whereas SB 50 only applies to residential. Otherwise approves of AB 1279.
- Expressed concern that in already-dense areas, affordability requirements will not result in additional housing without public subsidies for affordable housing; agreed with Burlingame's mayor, you can't get this level of affordability without subsidy.

Santa Clara:

- Expressed desire for more concrete and defined terms, for example of "arterial roads."
- Expressed concern that AB 1279 is being considered as an alternative to SB 50, but it does not address transportation needs thoroughly enough.
- Noted many strategies in AB 1279 are already being implemented in Mountain View (including FAR bonus). Concerned additional affordable housing requirement may not be financially feasible, making it less likely affordable housing will actually be built.
- Concerned that streamlining projects may not be enough incentive for developers to prioritize building more affordable units.

Contra Costa:

- Expressed concerns that AB 1279 won't result in more housing because it doesn't address the fundamental problem, a lack of funding. Suggested public subsidies or property purchases to assist with affordable housing development.
- Gave example of Stinson Beach being built out if by-right fourplexes are implemented. Noted that this would not help address the jobs-housing imbalance.
- Expressed concern that the maps are misleading and could be improved.
- Expressed concern that for a development project that complies with the basic rules, cities can't stop it. This legislation limits ability to apply contextual design standards.
- Expressed concern that most low density, low population cities also have narrow roads and limited resources to accommodate additional development.

- Expressed concerns about unintended consequences, e.g. allowing both by-right ADUs and fourplexes on same site could create by-right eightplexes or if 40 owners in a 100-unit building opt for by-right ADUs, it goes from 100 units to 140 units.
- Worried that increasing density/students in high resource areas with no new funding for more schools/teachers will result in schools no longer being considered 'good schools'.
- Asked for follow-up about how AB 1279 would work with other proposed housing bills.

Comments and Suggestions about AB 1483 (Grayson)

Long:

- Stated AB 1483 was about housing data and putting more information online including specificity as to number of projects approved, permits issued, etc.
- Noted biggest concern heard to date is the need for more time for smaller jurisdictions to implement data requirements and author is building in time for implementation later.
- Noted the added allowance that MPOs, MTC for example, could request additional reporting and it would be required.
- Shared the goal that with better data there will be better outcomes, e.g. by stating all the fees perhaps more developers would be willing to take on the risk to build more housing.
- Noted there is going to be a Housing Data Strategy at the state level, with parcel level housing and protocols for sharing data and open sourced platforms included in AB 1483.

Marin:

- Expressed concern that they would need a longer timeline to implement due to lower amounts of available staff but believe in data share as a principle.
- Stated a need to know how data is being collected and being used before participating.

Solano:

- Asked what data does the bill's author feels is missing now? What is the need for this?
- Asked if the state's Housing and Community Development staff already has this info.
 - **Long:** Stated that she believed the additional data was related to specific details regarding development.
- Asked if the HLWG could have a side-by-side comparison chart outlining what is being asked for in AB 1483 versus what is being reported now.
 - **Long:** Stated that MTC has asked for this side-by-side.
- Requested a "toolkit" to help the smaller cities with compliance.
- Expressed concerns that smaller cities don't have enough staff to comply properly with AB 1483's requirements.

Contra Costa:

- Stated reporting should just go to the state. If MPOs need data they can go to the state.
- Stated they would have to hire additional staffing to comply with this and wondered where the funding would come from for this additional burden.
- Asked for side by side comparison of data currently sent to HCD and AB 1483 data.
- There is data not being collected that would be helpful: 1) number of units entitled (not just those built; 2) extensions requested; 3) why are entitled projects not being built.

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- You can post generic fees online but some fees mitigate EIR findings that come later.
- Expressed concern with the amount of opposition already expressed against AB 1483.
- Asked if the additional information could be sent to the HCD to streamline reporting.

San Francisco:

• Requested a side-by-side comparison of what is required to be reported now versus what would be required with the implementation of AB 1483.

Santa Clara:

- Asked if this stemmed from project issues, or county issues.
- Asked how much extra work AB 1483 would require of the cities.
- Expressed concern that current reporting requirements are confusing and duplicative.

Comments and Suggestions about AB 1485 (Wicks):

Long:

- Explained that AB 1485 suggested some changes that clarified elements of SB 35.
- The changes include by-right approval of certain projects, with many exclusions, specified affordability.
- Adds one other option on the affordability mix for AMR units under SB 35. Developer can have 20% of the units affordable @ 80-120% of median (with average of 100%), or 10% for very low income households (60% of median).

Marin:

- Expressed concern that anything labeled by-right will not work for local governments due to lack of local control.
- Stated that even with the new more flexible affordability requirements, it would still be hard for projects to be economically feasible.

Napa:

- Asked for clarification on the density threshold and if AB 1485 would the change the defined thresholds for affordability.
 - **Long:** Stated that is correct.

Sonoma:

• Asked how feasible it is to build projects requiring 20 percent below market rate units.

Contra Costa:

- Expressed concern AB 1485 will not lead to additional housing because projects still will not pencil out.
- Stated they have no big objections, but that some of the language is still unclear in the existing law that is not being amended by AB 1485 opportunity to fix the transportation component in SB 35 (Wiener, 2017)
- Stated that in the current language, it is unclear if a city has higher standards, which should be the standard.

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Solano:

- Stated support for the bill since it will help Solano's cities meet their RHNA requirements.
- Asked if AB 1485 does anything to clarify the terms between cities with higher standards of affordable housing.

Santa Clara:

- Concerned because Mountain View requires 15 percent affordable housing, at 10 percent they're concerned projects won't come to City Council because by-right inclusions based on this amendment.
- Shared concern that the affordability requirements seem low.
- Expressed concern that transportation impacts haven't been considered enough.
- Stated that design review is important so cities can have the amenities they would like to have in their cities.
 - Long: Clarified that the requirements for streamlining wouldn't apply to any city meeting their above moderate housing RHNA numbers. Stated that MTC Staff will share a map highlighting areas that would be impacted by AB 1485. For example, AB 1485 would apply in Vallejo, but not all of Solano County.

San Francisco:

- Stated they didn't think San Francisco was covered by this amendment to SB 35 and approved of AB 1485, because "the more we streamline, the better".
- Noted ministerial approvals have been helpful in getting housing built in San Francisco.

San Mateo:

- Stated support for AB 1485 because it will help create more moderate income housing.
- Asked if this bill would still require prevailing wage.
- Wanted to maintain local jurisdiction's requirements for affordable housing if they are higher than AB 1485.
- Stated this should apply to the entire state of California, not just the Bay Area.

Report on Bills Related to Public Lands

Comments and Suggestions about AB 1486 (Ting)

Dohrmann

- Shared AB 1486 updates existing requirement that public agencies offer right of first refusal for affordable housing developments, with projects with priority to deepest level of affordability (either by income or total units), when disposing of excess public land.
- Explained how local land disposal process would work under AB 1486.
- Stated HCD would have enforcement privileges that they do not currently have.
- Explained that 100 percent affordable housing developments would be allowed for all public lands receiving state subsidy regardless of zoning, unless the land is "exempt" or ineligible to receive state subsidy. Developments would still be subject to CEQA and local approvals/not a ministerial "by-right" allowance.

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Sonoma:

- Asked if disposing of land language includes selling and leasing of public lands.
 - Dohrmann: Confirmed that AB 1486 would revert to current law "disposal" is not defined. Earlier version of the bill would have defined "dispose of" as including both selling and leasing of land
- Expressed concern about the suitability of certain public lands for housing, especially regarding safety and proximity to public transit.
 - **Dohrmann:** Stated that the development would still be subject to local reviews and zoning, unless it is 100 percent affordable. Even 100 percent affordable housing would still need to go through local reviews/EIR, no matter what was zoned before.
- Expressed concern that this would affect public lands being used as buffer zones.
- Suggested that the State develop their public lands program first, as a show of good faith, and a demonstration of how these processes will work under AB 1486.

Marin:

- Stated Marin County is generally opposed to AB 1486.
- Expressed concern with 100 percent affordable developments being allowed on any public land. Sees it undermining public safety and local jurisdictions land use authority.
- Concerned about the major changes to delegated enforcement for HCD.
- Stated they would like to see a process to transfer land between schools and other agencies to simplify, and not allow these lands to be disposed of to be used for housing development if cities intended for these parcels to be used for some other public need.

Napa:

- Stated that Napa County is generally opposed, since the laws surrounding public lands are already complicated without the implementation of AB 1486.
- Expressed concern this would limit sale prices, further limiting the financial systems that public agencies and cities need to address financial shortcomings.
- Stated that Napa County would like to see flexibility in the levels of affordable housing being offered via public lands, with reference to "missing middle" teacher housing.

Solano:

- Asked if the State is going to look at their surplus lands as defined by AB 1486.
 - **Dohrmann**: Stated that not only does AB 1486 push the State to reassess their excess land, it sets a goal that State dispose of 10 percent of excess land/year.
- Expressed concerns about public lands being used as buffers, especially around prisons.
 - **Dohrmann**: Stated that the buffer zones would be considered "government operations"would be local discretion to set parameters.
- Asked if this included leased lands as well. Gave the example of the Solano County Fair Grounds in the city of Vallejo, and how Solano County is aiming to have part of this land used for a multiuse development.
 - **Dohrmann**: Stated that AB 1486 wouldn't change current law.
- Asked about greenbelts under AB 1486.
 - **Dohrmann**: Landing used for conservation is exempt under AB 1486.
- Asked about the implication of mixed land use on public lands.

- Expressed concern that AB 1486 doesn't support bedroom communities.
- Expressed concern that in jobs-poor cities, this could worsen the job-housing balance.
- Stated that some surplus lands are not suitable for not mixed use, or housing in any way. Gave the example that housing should not be built in a marsh.
 - **Long:** Stated that proposed housing projects, including 100 percent affordable would still be subject to CEQA. Projects would not just be approved, not by-right, AB 1486 just required more specific and exclusive negotiations.

Contra Costa:

- Expressed concern about the language in the bill.
- Suggested surplus military bases (Concord Naval Weapons Stations) be specifically exempted from this bill.
- Suggested the State provide funding for work required with the changes in AB 1486, particularly to help fund some the affordable housing projects that might come out of it.
- Stated that HCD should not have enforcement privileges.
- Asked if local jurisdictions would be able to give land away for affordable housing development projects under AB 1486.
 - **Dohrmann**: Noted that current law leaves land sale up to the local jurisdiction. That states that the notice land is available, after the 60 days closes, the local agency will enter good faith negotiation with the proposed development with the highest level of affordable housing, like an RFP process.
- Suggested this be amended to not just be percentage requirement, but a density requirement.
- Expressed concerns that there are many unintended consequences with AB 1486.
- Suggested that the State have the same requirements about disposing land as the cities and counties would under AB 1486.
- Expressed concern about redevelopment properties being included in the AB 1486 successors to redevelopment agencies must be able to meet existing obligations to various taxing entities.
- Asked who would close the funding gap caused by AB 1486.
- Asked if AB 1486 accounts for leasing of properties.
 - **Dohrmann**: Stated that current law doesn't define what "dispose of" means. Earlier versions of AB 1486 included a definition, but clarification was stripped because of local government concerns in amendments made to AB 1486.
- Expressed concern AB 1486 would not allow for mix of affordable units, across different AMIs.

San Mateo:

- Expressed concern with contradictions in local general plans about open space.
 - **Dohrmann**: Explained that there is an exception made for protected open space, but not for just zoning.
- Asked if a city has land that they do not know what they want to use a space for and an affordable housing agency wanted to build on it, could the city refuse under AB 1486.
 - **Dohrmann**: Stated that that is the intent of the surplus lands act, but that requirement would be that the city must try to sell the land, or "dispose" of the land.
- Expressed concern that this would limit the sales price for certain pieces of land, when sometimes what a local jurisdiction needs most in money.

- **Dohrmann**: Stated that under current law that when disposing of surplus public land, affordable housing developments get right of first refusal, so this would not change the process that much.
- Suggested that the State take an inventory of their land before requiring local jurisdiction to do the same to show cities what the best way to implement AB 1486 would be.
- Exception for properties 'held in exchange' is a good thing (we are doing that now).
- Appreciate carve out for open space and recreation use.
- Stated the half acre requirement of public lands seems excessive considering that developed local jurisdictions often have parcels of land much smaller (e.g. 10,000 s.f.).

San Francisco:

- Agreed that half acre minimum should be decreased to include land in San Francisco.
- Requested clarification of policies about refusal process.
- Expressed concern about industrial zones and would like to see some protection of industrial zones included in AB 1486 to protect jobs.

Santa Clara:

- Stated that often the sales price is driven by zoning and asked how this would be affected by AB 1486.
 - **Dohrmann**: Stated that AB 1486 language limits negotiations to sales price and lease terms. The bill doesn't talk about the mechanics of how to execute these changes.
 - **Long:** Stated that zoning would only be overridden if project is 100 percent affordable, otherwise surplus land can only be used for housing if it's already zoned to allow residential as an underlying eligible use.
- Asked if there are 2 affordable developers, can a city choose the most feasible as opposed to the most affordable? Stated that financial feasibility is an important consideration in negotiations.
 - **Dohrmann**: AB 1486 would require the right of first refusal go to the affordable developers with the deepest level of affordability.
- Asked if sale for economic development would no longer apply.
 - **Dohrmann**: Stated that land should first be offered to affordable housing and public land and parks, then if not taken by those purposed could be used for economic development, as is required under current law.
- Expressed concern that the level of affordability couldn't be chosen, particularly if the missing RHNA numbers were for something other than the deepest level of affordability like the "missing middle."

Comments and Suggestions about SB 6 (Beall)

Dohrmann: Requires HCD to add to the state surplus land inventory locally identified sites suitable for development, as identified in housing element site inventories.

Marin:

- Stated that Marin is generally in favor of this but is concerned what HCD defines as realistic.
 - **Dohrmann**: Stated that SB 6 would require that HCD submit sites identified by locals as realistic for development in their housing elements.

Report on Bills Related to Funding

Comments and Suggestions about AB 11 (Chiu)

Long:

- Described the bill and the option it gave local agencies to use tax-increment finance by forming an "Affordable Housing Infrastructure Agency" (AHIA).
- Stated that bonds could be issued without voter approval, if there is at least 30 percent of the funds going toward affordable housing efforts for a list of approved purposes.

Napa:

- Concerned about safeguards to prevent abuse and misuse.
- Expressed concern with the eminent domain designation.
- Special districts shouldn't have eminent designation.
- Noted it would be important to add sewer and water pipes as well as fire resiliency, and infrastructure improvements to the list of acceptable uses for the use of the bond money under AB 11.

San Mateo:

- Appreciated the option to renew a form of redevelopment.
- Suggested adding tools for first time home buyers, to get them into the home buyers' market, including buy downs of down payments, for example, to the list of acceptable used for the bond money.
- Suggested increasing the amount of funds required to be spent on affordable housing.
- Expressed concern that AB 11 could unintentionally defund schools.
- Suggested list of acceptable uses for the bond money under AB 11 could be expanded to include: flooding, seawall infrastructure updates, and other natural disasters.
- Asked how members would be appointed to the bodies formed under AB 11.
 - **Long:** Stated that members would be appointed by the constituent members of the agencies involved and public members would be appointed by the board by the appropriate city council.
- Asked how these members would be removed if they did not perform their job as required.
 - **Long:** Stated MTC Staff would have to follow up on this.
- Expressed concern about eminent domain.
- Asked if cities in different counties could work together under AB 11.
 - **Long:** Stated that she hasn't seen any language regarding cities in different counties working together but MTC staff will follow up after researching.[Bill is silent on this]
- Each city would have equal rights to how it is seen, or would it be based on population? Or is it based on affected area. How would this be done?
 - **Long:** Stated there would be one seat per city participating if there were more than one city participating in the AHIA.
- Asked if two cities could modify this if both agreed to different terms for governance.
 - **Long:** Stated that AB 11 doesn't give cities the option for own governance in the current language.
- Stated support for the bill.

Marin:

- Expressed general support for the bill but concerned about eminent domain. Asked who is given the power of eminent domain under AB 11.
 - **Long:** Stated that new taxing agency would have the power of eminent domain.
- Expressed appreciation for the possibility the tax increment financing under AB 11.
- Expressed appreciation for the right to opt out of an agency under AB 11.
- Expressed support of the local jurisdiction maintaining local control under AB 11.
- Expressed concern about cross jurisdictional formation of an AHIA

Sonoma:

- Asked who is responsible for decided on the use of tax increment financing.
 - **Long:** The entity itself makes the decision under AB 11.
- Expressed concern that the bond funding would not need to be voter approved.
- Expressed concern AB 11 could defund schools.
- Expressed concern that the amount of money required to be spent on affordable housing was only 30 percent.
 - **Long:** Stated that the intent was to keep the implications of AB 11 flexible and not prescriptive.

Contra Costa:

- Suggested adding more 'green' acceptable uses for bond money such as stormwater retention bases and clarifying the acceptable uses for ports, ferries and water transportation (e.g. ferry terminals and ferry infrastructure).
- Expressed need for more definitive protections for schools' funding such as state could not renege on this commitment to schools without a vote of the people statewide.
- Expressed support for flexibility AB 11 gives cities... "More tools in the toolbox is good."
- Asked how AB 11 would interact with AB 1486.
 - **Long:** Stated tax money would go in for the bond, but for those agencies that did not want to participate, they'd have to be made whole financially under AB 11.
- Expressed concern about eminent domain precedent, cities already have this authority.
 - o General agreement expressed from around the dais
- Expressed concern there was lack of clarity about how to remove appointed members who were not actively participating under AB 11.

Solano:

- Expressed Solano County's support, redevelopment 1.0 helped transform Suisun City.
- Requested that seawalls be added to the list of acceptable expenses under AB 11.
- Asked who would approve the members of the AHIA.
 - **Long:** Stated that the entities that formed the new AHIA would appoint the public member.
 - \circ $\;$ Asked if counties would have a member on the RDAs.
 - **Long:** Stated staff would have to follow up on whether counties would automatically have a seat on the AHIA under AB11. [They don't get a seat unless they are a part of it]
- Asked if water crisis would be an acceptable use for the funds under AB 11.
 - **Long:** Confirmed that water upgrades would be allowed under AB 11.

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Santa Clara:

- Expressed concern that with other housing bills, AB 11 would be too much "to juggle." But if the decision was between AB 11, and AB 1487 (HABA), would prefer AB 11.
- Expressed approval for this bill bringing back RDA, but "how do we know a future governor won't pull the rug out from under us again the way Gov. Brown did?"
- Requested clarification on how housing bills would interact with AB 11 should they pass.

Sonoma:

• Expressed concern over approval requirements delegated to Strategic Growth Council.

San Francisco:

- Asked if a city could designate itself as the RDA under AB 11.
 - **Long:** Stated that public and affected taxing agencies can.
- Asked if a formal plan is required under AB 11.
 - **Long:** Yes but could have parcels not part of the area as part of plan. Plan needs to be approved by state's Strategic Growth Council.
- Expressed support of AB 11 widely as a tool to fund Redevelopment.
- Agreed with others who don't see any need for eminent domain.
- Suggested the Governing Board could decide their own rules about how they vote.
 - **Long:** Stated that the Governing Board could decide their own rules but would be subject to the Brown Act.
- Asked if there were any other terms
 - **Chair Pierce:** Stated that there doesn't seem to be whole lot of accountability for the board members.

Chair Pierce:

- Requested that the list of acceptable funded projects by AB 11 have expansion on some of the more general disasters, including fire and flooding resilience, infrastructure updates, sea level rise and related projects.
- Expressed concern that the members of an RDA wouldn't have to be elected officials, and the lack of accountability for the members of an RDA under AB 11.
- Expressed concern that most cities do not have a general fund they can draw fund for the kinds of development allowed under AB 11.
- Expressed concerns about the defunding of public schools under AB 11, and stated she is skeptical the states will fill the backlog of funding for public schools required to "make them whole."

Conclusion and Comments about Next Meeting:

- The HLWG agreed to meet on May 23, 2019 from 7-9 PM to hear how MTC and ABAG decided to advise legislature on the bills surrounding housing.
- Suggestion for SB 50 exemption for cities that have adopted master plans or specific plans *or* giving cities time to develop such a plan.
- State funding/financing should come at the same time as housing-related policy changes.

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Public Comment:

1. **Jane Kramer:** Stated that it seems there is an overall demand for more affordable housing to be built, but many of the concerns made by cities and local jurisdictions contradict the housing being built.

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From: Supervisor Hillary Ronen
To: ABAG | MTC Housing Legislative Working Group Members
Sent: Thursday, April 18, 2019 3:57 PM
Subject: Comments for 4/18/2019 ABAG | MTC Housing Legislative Working Group Meeting

I am sorry that I am unable to join tonight's meeting of the ABAG MTC Housing Legislative Working Group. I am looking forward to participating in future meetings and will do my best to attend those scheduled in the evening, but childcare issues make these a challenge for me.

I am writing to share my thoughts on SB330, sponsored by state Senator Nancy Skinner. Entitled the Housing Crisis Act of 2019, the legislation takes a bludgeon approach to what we can all agree is a true crisis, but one that demands a much more nuanced, much more precise approach to ensure that we build housing that truly meets the needs of both existing and new residents of the Bay Area. I am gravely concerned that this bill will inflict massive collateral damage to vulnerable communities of lower- and moderate-income renters.

Along with certain "streamlining" of hearings and approvals, the gist of the proposed bill is that it creates a definition of Affected City that would include high-cost urban areas throughout the state and then, within those areas, prohibit any change in zoning, new design standard, increase in fees, or moratoria on construction after January 1, 2018, on land where housing is an allowable use.

What this bill will do is inflame hot-market areas, disincentivizing less profitable development opportunities in the suburbs and focusing all housing investment in very popular areas of the Bay Area that are already reeling from gentrification and displacement. The protections it provides for existing tenants are too limited and too weak to truly protect communities that the San Francisco Planning Department has flagged through our Community Stabilization Strategy as communities at-risk of displacement or facing ongoing and advanced gentrification.

I am sure that all areas that could be impacted are doing their own analyses. The preliminary analysis by the San Francisco Planning Department on potential implications for San Francisco reveals very tangible damaging impacts, including but not limited to:

- SB330 would undo recently enacted area plans that pair significantly increased density in Central SoMa and the Hub with real community benefits and fees
- SB330 would undo recent rezoning to protect light industrial uses in certain Eastern Neighborhoods and the Bayview
- SB330 would prevent San Francisco from including design standards in our comprehensive Better Streets Plan
- SB330 would prohibit San Francisco from enforcing unit mix requirements that have been established to accommodate a mixture of household types and sizes

• SB330 ties our hands from reconsidering inclusionary fee requirements and tiers in response to market changes

Under the guise of our all-too-real affordable housing crisis, this bill ignores the work that San Francisco and many other Bay Area jurisdictions have already done to encourage new development that brings community benefits along with upzoning, rejects long accepted planning principles of zoning as a tool to encourage a variety of uses that address local and regional needs, and does nothing to intercede in profiteering off development in vulnerable communities.

I am happy to engage our Planning Department and my colleagues on the San Francisco Board of Supervisors to aggressively pursue an honest dialogue about solving our affordable housing crisis through policies and legislation that make sense for our city and the Bay Area.

-Hillary Ronen

Member, San Francisco Board of Supervisors

| From: | Beinart, Amy (BOS) |
|----------|---|
| To: | Kimberly Ward; Rebecca Long; Fred Castro |
| Cc: | Hillary Ronen |
| Subject: | ABAG MTC Housing Legislative Working Group Meeting 4/25/19 EMAIL FROM RONEN |
| Date: | Thursday, April 25, 2019 3:55:36 PM |

External Email

Hi, Kimberly –

Can you share the email below with members and staff of the ABAG MTC Housing Legislation Working Group for tonight's meeting:

Dear Colleagues:

I am sorry that I am unable to join tonight's meeting of the ABAG MTC Housing Legislation Working Group. In lieu of being there in person, I am writing to share some thoughts on Item 4: Report on Production-Housing Bills. I have supported and will continue to support density when it yields clear benefits to my city's and our state's most vulnerable communities, including working and middle class families and individuals, people with disabilities, seniors, and those without homes. I am eager to see legislation that effectively pairs upzoning with value recapture through affordable housing and other community benefits.

SB50

I am a co-sponsor of the San Francisco Board of Supervisors Resolution 172-19, opposing SB50 unless further amended, adopted April 9 (<u>link</u>). I am pleased that amendments were proposed at the Senate Governance & Finance Committee meeting yesterday. At this point, I have seen only very summarized versions of those amendments, which I am commenting on here.

Based on the April 23 letter from Senator Wiener to the signatories of the Letter of Significant Concerns and the April 24 single-pager SB50/SB4 compromise summary, these are some concerns that immediately jump out.

- We have not yet evaluated how the new data sources identified in the proposed amendments as criteria for Sensitive Communities would apply in San Francisco.
- I agreed with community advocates that the Sensitive Communities map, as written in the original legislation, did not adequately define vulnerable communities in San Francisco. In fact, the CASA maps miss areas of San Francisco that are reeling from gentrification and displacement. By contrast, the San Francisco Planning Department's Community Stabilization Strategy produced more nuanced maps showing stages of gentrification and displacement.
- While I appreciate the leadership of MTC (the Bay Area Council of Governments/COG) and am honored to be able to contribute as the San Francisco Board of Supervisors' representative to the Commission, the on-the-ground work of overseeing the mapping of Sensitive Communities and conducting outreach must be done at the County level and not assigned to COGs.

I look forward to reviewing the revised legislation when it is published and to further discussing the revised bill with my colleagues on the Board of Supervisors and with the Housing Legislation Working Group.

AB1279

This legislation uses streamlining of affordable housing to encourage equitable access to resources in restrictive geographies and that it recaptures the value of upzoning through increased inclusionary housing requirements. I am interested to see it progress through the legislative process.

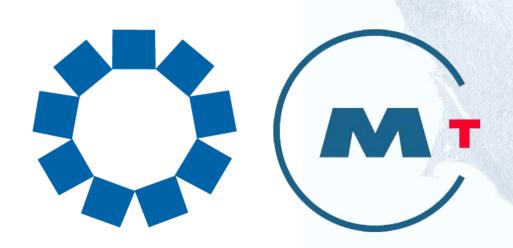
I am confident that through honest dialogue we can shape legislation that will help bring real solutions to the Bay Area's affordable housing crisis.

Sincerely, Hillary Ronen Member, San Francisco Board of Supervisors, District 9 Commissioner, Metropolitan Transportation Commission

| Association of Bay Area Governments METROPOLITAN TRANSPORTATION COMMISSION | Metropolitan Transportation Commission375 Beale Street, Suite 800 San Francisco, CA 94105Legislation Details (With Text) | | | | | | |
|--|--|------------|---------------|--|-----------------|--|--|
| File #: | 19-0572 | Version: 1 | Name: | | | | |
| Туре: | Report | | Status: | Informational | | | |
| File created: | 5/9/2019 | | In control: | Joint MTC Legislation Com Legislation Committee | mittee and ABAG | | |
| On agenda: | 5/10/2019 | | Final action: | | | | |
| Title: | PowerPoint Presentation | | | | | | |
| Sponsors: | | | | | | | |
| Indexes: | | | | | | | |
| Code sections: | | | | | | | |
| Attachments: | 7_PowerPoint_Joint Leg Committee May Housing Bill Presentation.pdf | | | | | | |
| Date | Ver. Action By | 1 | Action | | Result | | |

Subject: PowerPoint Presentation

Attachments:

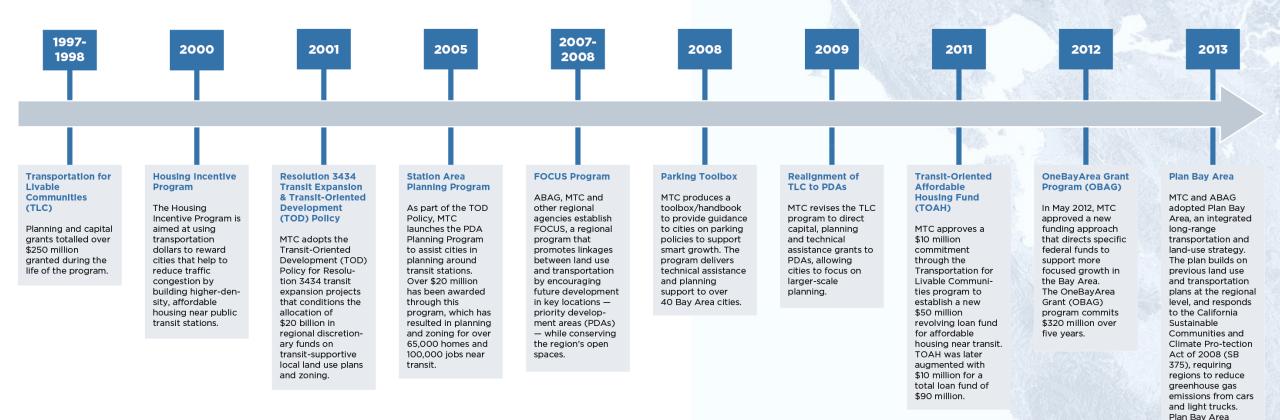


Presentation on Housing Legislation to the ABAG-MTC Joint Legislation Committee

May 10, 2019



MTC and ABAG Leadership & Support for Transit-Supportive Housing, 1997-2016



focuses 78 percent of new housing and 62 percent of new jobs in PDAs. It also devotes \$14.6 billion to OneBayArea Grant investments.

ASSOCIATION OF BAY AREA GOVERNMENTS METROPOLITAN TRANSPORTATION COMMISSION

Plan Bay Area 2040 Action Plan

- Adopted by MTC and ABAG in July 2017, the plan set a goal to:
 - Lower the share of income spent on housing and transportation costs
 - Lessen displacement risk
 - Increase the availability of housing affordable to low- and moderate-income households.
- Called for the formation of CASA to provide recommendations for action

This Action Plan makes the following recommendations for Housing:

Housing Actions

Plan BayArea 2040

FINAL Adopted July 26, 201

ASSOCIAT BAYANES Advance regional "self-help" funding and financing solutions for housing: Develop a plan for generating regional revenues for the production and preservation of housing affordable to low- and moderate-income households (could include measures such as a parcel tax, commercial linkage fee or other dedicated funding). Evaluate the creation of innovative financing tools, such as a regional infill Infrastructure Bank, a land bank or a Regional Housing Trust Fund, to support new housing or infrastructure improvements.

Advance state legislative and funding solutions: Support state legislative or funding opportunities that advance the objectives of this Action Plan, including securing a permanent source of affordable housing funding, increasing community stabilization and lessening displacement risk, reducing costs and barriers to housing development, incentivizing developers to create workforce and low-income housing, incentivizing the creation of accessory dwelling units, as well as other measures that will contribute to the market-rate and affordable housing.

> ing policy successes: Implement the housing and community stabilization initiatives adopted in the second rea Grant (0BAG) program from 2017-18 to 2021-22, such as the Preservation Pilot (previously known as initiative, Transit-Oriented Affordable Housing (TOAH) fund, and JumpStart program to encourage equitable opment. Evaluate the performance of these strategies and applicability of expanding these types of loan and argams for future funding programs.

olicies connecting transportation funding to housing production and performance: Analyze the ing housing production with pertinent existing and new transportation funding sources, with particular infordable to very low-, low- and moderate-income households as well as anti-displacement and community a strategy for the use of public land proximate to major transit assets to facilitate the development of low- and moderate-income households through conditions and provisions on funding sources. Report to the cretionary funding sources where such housing provisions and conditions may be added.

sistance and best practices to local jurisdictions related to the transformation of "opportunity pencies as they envision upgrades to low-intensity office parks and retail centers to create mixed-use, mixedwith significant housing.

assistance and policy leadership for housing and community stabilization: Expand and transform ical assistance for local jurisdictions that is tailored to both Bay Area-wide challenges and challenges s of the region, including best practices to support new housing (e.g., heights that support more units and allow projects to pencil out without compromising neighborhood character). Focus areas for technical assistance could include guidance on implementing state legislation for transit-oriented development and the production of housing affordable to low- and moderate-income households, guidance on housing preservation and locally appropriate community stabilization and antidisplacement policies, supporting healthy infill development, and coordination of neighboring jurisdictions along transit corridors and in subregions to identify shared solutions to housing challenges. Explore new and expanded community stabilization and antidisplacement policies to support low-income renters, including incentives for landlords to keep existing rents affordable.

Close data gaps and improve information accessibility: Continue to collect, analyze and disseminate data about housing opportunity sites and vacant lands, zoning, development trends and policy implementation by local governments to inform local, regional, and state policy development and evaluation, including PDA performance. Create accessible database of major development and publicly owned sites. Create an online Policy Directory with examples of ordinances being implemented at the local level to address community stabilization. Continue to evolve RTP/SCS Project Performance methods to seek stronger alignment between prioritizing transportation projects and housing performance.

TABLE 5.1 Plan Bay Area 2040 "Action Plan" recommendations for housing.

Source: Metropolitan Transportation Commission, Association of Bay Area Governments, 2017



Partners and

Timeframe MTC/ABAG, CASA, local jurisdictions

Evaluate

Execute

> 2 - 4 YEARS

State legislature

MTC/ABAG, CASA

local jurisdiction

MTC/ABAG, CMAs, CASA

2 - 4 YEARS

MTC/ABAG, CASA, the Partnership, regional leaders,

local jurisdictions, transit operators

Evaluate

Execute

MTC/ABAG, local jurisdictions, CASA

Ongoing

MTC/ABAG, local jurisdictions, BAAQMD, CMAs, CASA

Ongoing

MTC/ABAG Ongoing

1 - 4 YEARS

1 - 4 YEARS

1 - 4 YEARS

2 - 4 YEARS

1 YEAR

1-2 YEARS

2 YEARS

Impact on our Fellow Bay Area Residents

• No place at the bottom

For a family earning less than \$64,000 — think two workers making \$15 an hour — not a single neighborhood last year had an affordable median apartment rent. The cheapest option was a neighborhood in in the City of Vallejo with median rent of \$1,602. But even that was out of reach for 35 percent of the region's households. (East Bay Times, 4/28/19)

• Most Neighborhoods Unaffordable to Households \$100K Income From 2012 to 2018, the Bay Area went from 70 percent of our neighborhoods being affordable to households with incomes of \$100,000 to only 28 percent of neighborhoods today.



Housing Legislative Working Group (HLWG)

- At your direction, in late March we convened the HLWG
- The group met weekly for five weeks and reviewed larger suite of bills, plus all bills on your agenda today.
- In our first few meetings we invited members to share their reasons for participating and developed 10 principles or lenses by which to evaluate legislation included in the memo in your packet.
- While there were a diversity of views about why the region has become so unaffordable and what to do about it, all members agree we face an housing affordability crisis.



Housing Legislative Working Group: What We Heard

- There is consensus on the need for additional funding to subsidize low-income housing and on the need for more production of housing for households at all income levels, especially in closer proximity to jobs.
- In developing our staff recommendations, we focused on bills that we determined would have the greatest impact on the 3Ps of protection, production and preservation.
- We have organized this presentation to focus on protection bills first, and then those that affect production & preservation.



Protection Bills

- Bills moving through Sacramento address all three Ps of the housing challenge. Staff believes the protection bills are critical to providing near-term relief from rents rising far faster than incomes in many areas and the evictions that can result.
- Three protection bills on your agenda today:
 - AB 1481 (Bonta) and AB 1697 (Grayson) Just cause evictions
 - AB 1482 (Chiu) Statewide annual cap on rent increases
 - SB 18 (Skinner) Tenant protections and funding for rental assistance and legal aid



AB 1481 (Bonta)/AB 1697 (Grayson) – "Just Cause" Eviction

Both bills:

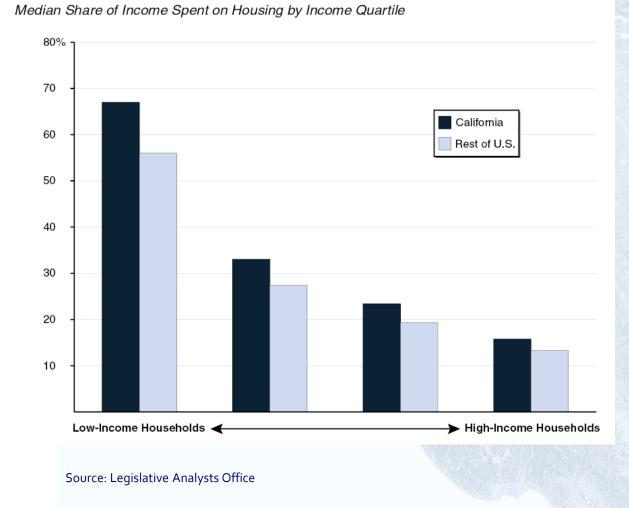
- Specify "at fault" and "no fault" allowable causes for termination of tenancy.
- Require notice with opportunity to "cure the violation" unless illegal conduct with risk to other tenants.
- Require relocation assistance in "no fault" cases
- Limit "owner move-in" as "no fault" just cause
- AB 1697 (Grayson) has one different provision:
- Provides that bill's provisions do not take effect until after 10 months of tenancy.



AB 1482 (Chiu) – Tenant Protections: Rent Cap

- Limits rent increases to 5% plus the Consumer Price Index (CPI), effective March 15, 2019
- Requires landlords to provide tenants a notice of rent increase
- Requires that, by Jan 1, 2033, HCD report to the Legislature on the effectiveness of this program
- Exempts:
 - I. Already deed-restricted affordable housing units;
 - II. Dormitories for students; and
 - III. Jurisdictions with a stronger rent control ordinance.

State's Low-Income Households Spend Much More on Housing

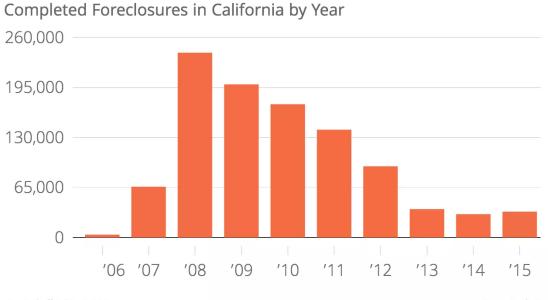




SB 18 (Skinner) – Keep Californians Housed Act

Highlights:

- Would provide greater awareness of the legal rights and obligations for landlords and tenants
 - By January 1, 2021, Dept. of Consumer Affairs to post a guide to state laws governing landlords and tenants
 - Updated biannually
- Make permanent the existing protections for tenants in a foreclosed property
 - AB 2610 (Skinner) "Homeowners Bill of Rights" enacted in 2012 to protect tenants in a fore closured property
- Make an unspecified amount of one-time funding available to the HCD for rental assistance and legal aid services grants



isa Pickoff-White/KQED

Data: RealtyTral



Staff Recommendations on Protection Bills

- AB 1481 & AB 1697 Support
- AB 1482 Support
- SB 18 Support



Production and Preservation Bills

Zoning/Housing Approvals

- SB 330 (Skinner) Increases certainty and reduces fees, limits downzoning & parking in high-rent, low vacancy areas for 10-year "emergency" period.
- SB 50 (Wiener) Equitable communities incentives, upzoning near transitand jobs-rich areas, and limited by-right allowance for up to four-plex residential projects .



SB 330 – Housing Crisis Act of 2019

Key Components

- Project approval process acceleration
- Greater certainty for project proponents
- Limitations on downzoning and building moratoria
- Legalize occupied substandard buildings





SB 330: Project Approval Process Acceleration

- Restricts changes a local government can make after a preliminary application is submitted.
- Specifies criteria that must be included for an application to be complete and requires HCD to develop a standardized application form for local governments.
- Provides that after an application is deemed complete and if a project complies with general plan and zoning standards, a local government may not:
 - Require more than **3** *5* de novo public hearings
 - Delay decision beyond 12 months [Amended May 7]



SB 330: Greater Certainty for Project Proponents

- Requires public agencies post on their web site all information required to submit a development application.
- Locks in historic designation of a site at the time an application is deemed complete.
- If a public agency determines an application is incomplete, it must provide applicant an exhaustive list of items in their application that were missing based on the agency's own check list.
- Key feature of the bill is to lock in policies, fees and standards at the time an application is deemed "complete," with some exceptions allowed.





SB 330: Limitations on Downzoning and Building Moratoria

Designates "affected areas" of high rent and low vacancy rate where a local government or voters may not take actions that would:

- Result in a "less intensive use" than on 1/1/2018
- Establish design standards after 1/1/2018 not considered "objective"
- Limit number of land use approvals or permits
- Cap number of housing units or size of population
- Exception: downzoning allowed in one location if higher density allowed elsewhere.

Affected areas also prohibited from:

- Adopting parking requirement within ¼-mile of rail station if county > 700,000 in city > 100,000 or greater than 0.5/unit anywhere else within land allowable for development.
- Charging fees or exactions, including for water & sewer, above rates on 1/1/2018, with CPI allowed if specified in ordinance
- Charging any fees to deed-restricted units affordable to low-income



Legalize "Occupied Substandard Buildings"

- A "protection" strategy to help residents remain in buildings that could be shuttered by building inspectors *if they meet certain life safety standards.*
- Requires HCD to develop building standards for buildings occupied by one or more people that an enforcement agency finds is in violation of any health and safety requirements.
- Sets minimum requirements, including:
 - Adequate sanitation and exit facilities
 - Seismic safety
 - Fire safety





SB 50 (Wiener): Upzoning Near Transit and Job-Rich Areas*

Establishes a new "Equitable Communities Incentive" to projects meeting certain geographic, affordability, and other criteria:

On a parcel that allows housing as an underlying use in transit-rich areas, SB 50 would allow:

- A waiver from density controls and parking minimums over 0.5/unit (parcels near a major transit stop have all minimums waived)
- These incentives would also apply in jobs-rich areas only in counties > 600,000

Rail/Ferry Proximity Provisions

In counties > 600,000 in population:

- Within ¹/2-mile radius of a rail of ferry station, also allow at least 45 feet tall and 2.5 floor area ratio (FAR)
- Within ¹/₄-mile radius of a rail of ferry station, also allow at least 55 feet tall and 3.25 FAR
- Density bonus allowed on top of these thresholds



What is a Transit-Rich Area?

- An area within a ½-mile radius of a rail station or a ferry terminal that is a major transit stop, as defined in existing law, or a ¼-mile radius of a stop on a highquality bus corridor.
- To qualify as a high-quality bus corridor, the bus corridor must have average service intervals that meets all the following criteria and has met it for the last five years:
 - 10 minutes during morning and afternoon peak, 6-10 AM, 3-7 PM
 - 20 minutes from 6 AM to 10 PM, on weekdays.
 - 30 minutes between 8 AM to 10 PM on weekends.



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What is a Jobs-Rich Area?

- Bill directs Department of Housing & Community Development to identify tracts as "jobs-rich," in consultation with the Governor's Office of Planning & Research, based on whether they meet **both** of the following criteria:
 - 1. Has characteristics that are associated with positive **educational** and **economic** outcomes for households of all income levels living in the tract;
 - 2. New housing would enable residents to either "live near more jobs than is typical for tracts in the region" <u>or</u> enable shorter commute distances relative to "existing commute patterns for people of all income levels"
- Areas must be designated and mapped by 1/1/20 and updated every 5 years.
- Upzoning for "jobs-rich areas **does not apply** in counties < 600,000



Summary of SB 50/SB 4 Deal

Geographic Thresholds to Upzoning & By-Right Development

- Exclusion Areas
 - In coastal zone, limited to infill parcels; Cities < 50,000 population in coastal zone exempt
 - Very high fire hazard severity zones
- Statewide: Allow fourplexes in all residential areas (vacant land & conversions) that qualify as urbanized areas or urban clusters and that are zoned residential or mixed-use
- In counties > 600,000 population on parcels zoned for residential Bay Area: Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara Counties
 - SB 50 "transit-rich" & "job-rich" upzoning provisions apply
 - Exempts parcels designated as historic by 2010
 - Reduces peak commute bus headways to minimum of every 10 minutes (from 15)
 - Parking: no minimum parking requirement allowed ½-mile from major transit stop, 0.5 spaces/unit minimum elsewhere



SB 50 Smaller County Provisions — Upzoning and By-Right Development

- In counties < 600,000, on parcels zoned for residential
- In cities >50,000 population
 - A waiver from density with minimum 30 units/acre in urban and 20 units/acre in suburban areas within 1/2—mile of rail & ferry stations
 - No parking within ¼ mile of major transit stop in cities >100,000; 0.5 spaces/unit elsewhere
 - Height increases: Allows one story above current maximum zoning
 - All other local regulations apply (setbacks, lot coverage, height, FAR)
 - Upzoning for "jobs-rich areas" does not apply



SB 50 Affordability Requirements by Project Size

| Project Size | Inclusionary Housing Requirement | |
|-------------------|---|--|
| 1-10 units | No affordability requirement. | |
| 11-20 units | Developer may pay an in lieu fee, where feasible, toward housing offsite affordable to lower income households. | |
| 21-200 units | 15% low-income OR 8% very low-income OR 6% extremely low-income | |
| 201 – 350 units | 17% low-income OR 10% very low-income OR 8% extremely low-income | |
| 351 units or more | 25% low-income OR 15% very low-income OR 11% extremely low-income | |

Amendments anticipated related to in lieu fees to ensure affordable housing project is actually built, and is within ½-mile of original project and near transit.



Sensitive Communities: Option to Develop a Community-Led Plan

- Bill's provisions are postponed in "sensitive communities" (SC) until 1/1/25.
- For Bay Area, SC defined the same way as in the CASA Compact (shown at right) but updated every 5 years by HCD.
- If at least 20% of population in census tract sign a petition, SC can opt into bill's provisions.
- MTC/ABAG on-line map overlays SCs with region's transit stations can be found <u>here</u>.



DRAFT Mater SB 50 (Wiener, 2019) Sensitive Communities Sensive Communities Sensitive Communities are defined as urbanized census tracts that ar sified as the intersection of MTC Communities of Concern and advantaged Communities of the Bay Conservation and Developme SB 50 Transit-Rich Areas 8 50 transit-rich areas are currently defined as areas within 1/2 mile of a

B 50 transit-rich areas are currently defined as areas within 1/2 mile of najor transit stop and areas within a 1/4-mile radius of a stop on a igh-quality bus corridor.

Urban - Built Up Area

Source: MTC Map Author: JC, May 8, 2019 https://mtcdrive.box.com/s/2jw926ve1aco14t2a118vq6gt9t13v1z

SB 330 Staff Recommendation

Seek Amendments as follows:

- Approval Timeline √
 We proposed a tiered timeline; bill was amended on May 7th to delete timeline altogether and shift to 5 de novo hearings
- Allow Annual Adjustment for All Market-Rate Units
 Allow for a cost of living adjustment for fees on market-rate units, even if
 not specified in an original ordinance;
- **Don't Lock in Old Zoning** Eliminate the bill's "look back" provision on zoning standards prior to January 1, 2018.



SB 50 Staff Recommendation

- Support if Amended with following amendments:
- Jobs-rich area

Pursue amendments to ensure that the definition will identify areas that have a higher-than-average concentrations of jobs and accurately identifies areas that would result in shorter commutes.

• Transit-rich

Pursue amendments that allow for a density measure for transit-rich projects within ½-mile of rail or ferry stations to provide more flexibility than strictly minimum height allowances, but offer the same development capacity (i.e. units) within the general station area.



Funding

- AB 1487 (Chiu) Housing Alliance for the Bay Area
- AB 11 (Chiu) Redevelopment 2.0

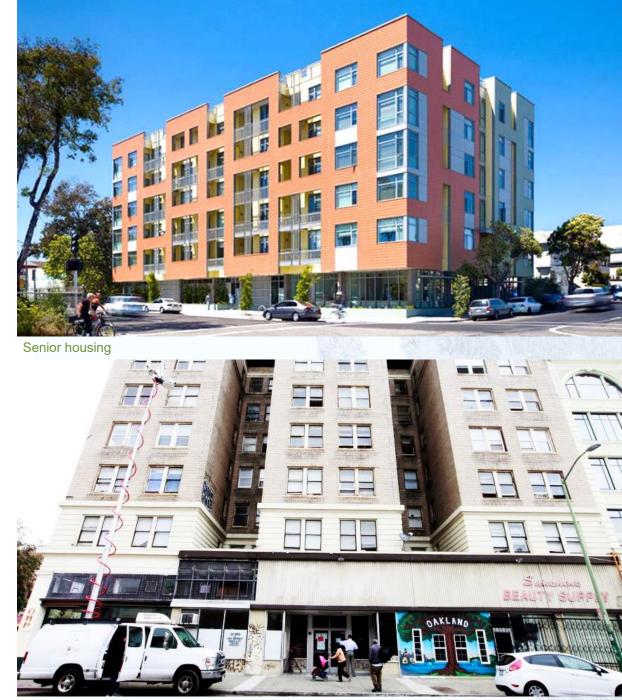


AB 1487 – Housing Finance Act **Production, Preservation and Protection**

Highlights:

- Establishes the Housing Alliance for Bay Area to ٠ provide funding and technical assistance for 3 Ps
- Governance is unknown bill struck references to appointments from ABAG and MTC
- Broad taxing authority subject to voter approval; May ٠ assemble, lease or purchase parcels for affordable housing; cannot use eminent domain
- No regulatory authority over local land use
- Counties to develop expenditure plans; may administer ٠ funds instead of HABA





Affordable housing preservation

AB 1487 – Funding Distribution

Expenditures

>60% for affordable housing production

Min.15- Max. 20% for preservation

Min.5- Max.10% for protection

Min.5- Max.10% for general funds to local governments that achieve unspecified housing benchmarks

Administration

75% of new revenue returned to county of origin based on revenue generated 25% available to be spent across region to highest need

Counties have option to administer funds themselves or rely on HABA to allocate funds.



AB 1487: Potential Funding Measures

The bill authorizes HABA to place a number of different measures on the ballot, balanced across businesses, general taxpayers, commercial developers, and property owners including:

- parcel tax
- commercial linkage fee
- gross receipts tax
- employee head tax
- ¹/₂-cent sales tax ← only measure with a rate specified in bill today
- A general obligation bond to be funded by an ad valorem
- tax on the assessed value of local properties.
- A revenue bond



AB 11 (Chiu): Community Redevelopment Law of 2019

- Authorizes a city or county (or multiple cities) to form an Affordable Housing and Infrastructure Agency (AHIA) with authority similar to former redevelopment agencies, subject to approval of Strategic Growth Council (SGC)
- Agencies would have ability to use tax-increment finance for improvements in a specified area that need not be contiguous
- SGC approval would be based on fiscal impact to state and whether agency's plan would promote greenhouse gas reduction goals
- Annual local and statewide reporting required on projects funded to address concerns about lack of oversight and transparency under redevelopment



AB 11 (Chiu): Community Redevelopment Law of 2019 Affordable Housing Provisions

- At least 30% of funds required to be spent on affordable housing for low and moderate income
- Deed restrictions required (55 years rental, 45 years ownership)
- Replacement requirement for loss of any low or moderate income housing as a result of an agency-funded project within ¹/₂ mile of the project within two years
- No destruction of existing low income units before existing residents have been relocated



AB 11 (Chiu): Community Redevelopment Law of 2019 Wide array of eligible expenditures

Bonds could be used for any of the following purposes:

- Affordable housing for low, very low and moderate income households
- Transit priority projects located in a transit priority area
- Any project to implement an approved Sustainable Communities Strategy
- Roadway improvements, parking facilities, and transit facilities
- Sewage treatment and water reclamation plants and interceptor pipes
- Water collection and treatment facilities
- Flood control levees and dams, retention basins, and drainage channels
- Child care facilities
- Libraries
- Parks, recreational facilities, and open space
- Solid waste-related transfer and disposal facilities
- Brownfield restoration and other environmental mitigation
- Port or harbor infrastructure



AB 11 (Chiu): Community Redevelopment Law of 2019 Fiscal Provisions

- Other public agencies that receive property tax within the designated area would be held harmless by mandatory pass-through of their share of taxes unless they opt to share with AHIA
- Bonds could be issued without voter approval
- Statewide cap proposed –amount TBD–on total amount of debt to be issued as a way to minimize fiscal impact on state because all diverted school-related property taxes would be backfilled by state, similar to redevelopment.



AB 1487 Staff Recommendation

Seek Amendments as follows:

- Ensure no new responsibilities are assigned to MTC or ABAG without the following:
 - 1. A guaranteed source of funding that is not dependent upon voter approval
 - 2. A provision for the re-evaluation and potential dissolution of HABA in the event that the level of revenue approved is too small to meaningfully address the region's housing crisis
- Ensure the bill does not require that MTC staff report to a newly structured board



AB 11 Staff Recommendation

Support and Seek Amendments as follows:

- Broaden Eligibility to Include Resilience & Other Items The should add sea level rise infrastructure, such as sea walls, water and sewer infrastructure, as well as broader resilience purposes, such as fire and disaster recovery, as eligible expenses.
- Remove Eminent Domain Provision The bill can provide a very useful tool without this provision which draws unnecessary opposition and brings with it some risk of abuse.
- **Provide Term Limits for the Public Members of the AHIA** To provide more accountability, the terms for the public members should be specified in the bill and limited.



Accessory Dwelling Units (ADUs)

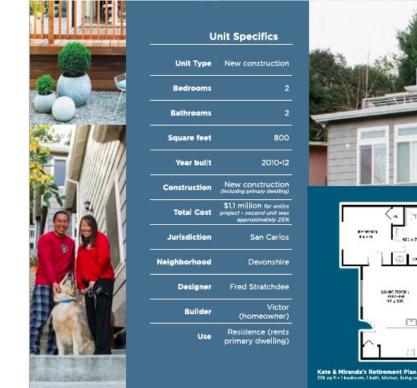
ADU Opportunity

150,000 new homes if 10 percent of the Bay Area's single family homeowners built an ADU

Bay Area Leadership:

- Novato JADUs
- Santa Rosa Affordability incentives
- Fremont Waive impact fees

Plan Bay Area 2040 Action Plan: Support the creation of accessory dwelling units (ADUs) ADU Legislation: SB 831 (Wieckowski); SB 1469 (Skinner); SB 1069 (Wieckowski)







in Pedro's Backyard Cottage room 496 sq ft • 1 bedroom, 1 bath, kitchen, hving room



Sample ADUs excerpted from CASA Compact

SB 13 (Wieckowski) – ADUs: Owner-Occupancy and Fees

- Allows ADUs up to 850 sq. ft. (≤1 bedroom) or 1,000 sq. ft. (≥ 1 bedroom)
- Creates a tiered impact fee schedule see recommended amendment
- Creates an amnesty program with health and safety protections
- Prohibits owner-occupancy requirements see recommended amendment
- Removes replacement parking requirements
- Site inventories Cities and counties may count ADUs for the purposes of identifying adequate sites in housing elements
- 6o-day ministerial approval (reduced from 120 days)

SB 13 Staff Recommendation

- Support if Amended as follows:
- Owner-Occupancy

Remove the provision prohibiting localities from imposing owneroccupancy requirements on ADUs.

Impact Fees

Reduce the impact fee waiver threshold from 750 square feet to 500 square feet, consistent with existing school development fee exemption.



Public Land and Affordable Housing - MTC/ABAG History

- CASA Compact: Unlock public land for affordable housing proposal includes Surplus Lands Act revisions
- Workforce Housing Action Plan: Identified 700 acres of Bay Area public land near transit capacity for 35,000 housing units
- Plan Bay Area 2040 Action Plan: Encourage reuse of public land near major transit assets to facilitate development of low- and moderate-income housing through conditions and provisions on funding sources
- One Bay Area Grant Program: Surplus Lands Act ordinance condition for OBAG 2 county program grant eligibility 100% compliance



AB 1486 (Ting) – Surplus Lands Act Expansion and Revision

- Expands requirement that local agencies provide right of first refusal to affordable housing developers when disposing of surplus land.
- Revises and clarifies state and local process requirements; Sets 10% annual state surplus land disposal goal
- Requires that the Department of Housing and Community Development (HCD) create and maintain statewide inventory of local surplus public lands.
- New HCD enforcement mandate.
- Permits 100% affordable development on surplus land regardless of zoning; Provision does not apply to exempt surplus land (ex: protected open space) or land ineligible for state affordable housing financing programs.

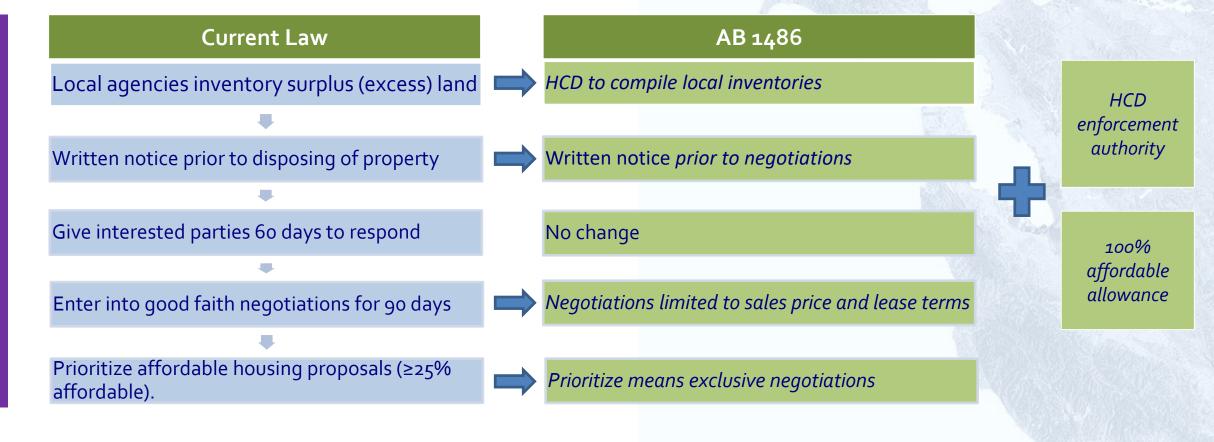


Local Surplus Land Disposal – AB 1486 Revisions

Scope

How it Works

Land owned by cities, counties, *successors to redevelopment agencies, joint powers authorities, housing authorities* and districts and not necessary for the local agency's *governmental operations. Land is presumed "surplus" when a local agency agency takes an action to dispose of it. New surplus land exemptions.*



IETROPOLITAN TRANSPORTATION COMMISSIO

AB 1486 Staff Recommendation

- Support if Amended as follows:
- Negotiations Scope

Amend the bill to allow additional items beyond just sale and lease price (such as financial viability) in the scope of negotiations.

- Redevelopment Agency Successors Ensure that the bill would not limit successor agency's ability to comply with existing asset disposal requirements.
- **100% Affordable Housing, Notwithstanding Local Zoning** Limit provision allowing 100 percent affordable housing developments to be located anywhere, regardless of zoning, to projects that have received local subsidies, and therefore would not be in locations deemed inappropriate.





Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0483 | Version: | 1 | Name: | |
|-----------------------|---------------|-------------|------|-----------------|---|
| Туре: | Assembly Bill | | | Status: | Commission Approval |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | | Final action: | - |
| Title: | AB 1481 (Bor | ita) and AB | 1697 | (Grayson) - Ten | ancy Termination: Just Cause |
| | | | | | stated in writing. Requires tenant be provided a notice |
| Sponsors: | | | oppe | | olation prior to issuance of notice of termination. |
| Sponsors: Indexes: | | | oppe | | olation prior to issuance of notice of termination. |
| • | | | oppe | | olation prior to issuance of notice of termination. |
| Indexes: | 7b1_AB-1481 | | | | olation prior to issuance of notice of termination. |

Subject:

AB 1481 (Bonta) and AB 1697 (Grayson) - Tenancy Termination: Just Cause

Prohibits eviction of a tenant without just cause stated in writing. Requires tenant be provided a notice of a violation of lease and opportunity to cure violation prior to issuance of notice of termination.

Presenter:

Rebecca Long

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

Attachments:

| Metropolita | n Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and |
|--------------|--|
| | ABAG Legislation Committee |
| May 10, 2019 | Agenda Item 7b1 |
| | California Housing Legislation – Protection Bills |
| Subject: | AB 1481 (Bonta) and AB 1697 (Grayson) – Tenancy Termination: Just Cause |
| Background: | AB 1481 (Bonta) prohibits residential tenancy termination without just cause. "Just cause" may be either at-fault or no-fault. "No-fault just cause" would include: a) owner intent to occupy the property; b) withdrawal of the property from the rental market; c) unsafe habitation; and d) intent to demolish or to substantially remodel. For at-fault, the bill also requires the landlord must first provide the tenant with a notice of the violation and an opportunity to cure the alleged lease violation. In addition, the bill requires landlords who terminate tenancy for no-fault to notify the tenant of the tenant's right to relocation assistance, and to provide that assistance if requested, regardless of the tenant's income. If a local jurisdiction has stronger just cause laws, those would prevail. |
| | AB 1697 (Grayson) is identical to AB 1481 except that the proposed "just cause" provisions would only to apply to a tenancy after 12 months. This provision was also included in the CASA Compact Element #1. |
| Issues: | On average, one in 36 renters is taken to eviction court every year in California, and there is evidence that a much higher share of renters are evicted without even going to court. A just cause eviction law would require the landlord to provide tenants with a reason, stated in writing, as to why they are being evicted. And, it would provide an opportunity for tenants to contest or correct the stated reason. In so doing, the law would help reduce the arbitrariness of a no-fault eviction, which most often impact low-income households. |
| | Evictions can be devastating to low-income households especially in an expensive housing market like the Bay Area, with the availability of units affordable to low-income households (both "naturally" affordable and deed-restricted) far short of demand. In the worst case, evictions lead to homelessness. A 2017 survey found that 14 percent of the homeless population in Santa Cruz County was a result of an eviction. ¹ |
| | Without a requirement to provide written notice as to the cause of an eviction today, landlords can evict a low-income tenant in order to charge higher rent to a tenant willing to pay more, especially in gentrifying neighborhoods. While fair housing laws are designed to protect against discrimination on the basis of race, given the high correlation between income and race, no-fault evictions can |

¹ Applied Survey Research, Santa Cruz County 2017 Homeless Census & Survey (2017) at p. 32.)

contribute not only to increased displacement of low-income households, but also increased racial segregation.²

Just cause policies are considered an essential accompaniment to any effective rent stabilization law. The State of Oregon's recent rent cap, which allows rents to grow by 7 percent, plus inflation, includes within it a just cause provision. The same is true of most of the local ordinances.

Seventeen California cities have already enacted just cause eviction ordinances, ten of which are in the Bay Area: Berkeley, East Palo Alto, Emeryville, Hayward, Mountain View, Oakland, Richmond, San Francisco, San Jose, and Union City. AB 1481/1697 would extend these protections to tenants across the state. A just cause law would help reduce displacement in gentrifying neighborhoods, consistent with the goals of Plan Bay Area 2040.

As you know, the CASA Compact was predicated upon the understanding that a solution to the Bay Area's housing crisis requires progress on the "3Ps" of protection of existing residents, preservation of existing affordable housing and the production of more housing for residents at all income levels. Bay Area legislators are embracing this approach as it's widely recognized that bills that focus on production, while essential, will not address the near-term pressures facing the region's most economically vulnerable households.

In the spirit of supporting a comprehensive and balanced solution to the Bay Area's housing crisis, staff recommends a support position on AB 1481 and AB $1697.^{3}$

Recommendation: Support

Bill Positions: See attached

Attachment A: Bill Positions **Attachments:**

Therew What herese W McMillar

² Verma, et al., Rising Housing Costs and Re-Segregation in the San Francisco Bay Area, University of California-Berkeley Urban Displacement Project (2018)

³ While only one is likely to reach the Governor's desk, staff recommends we support both versions at this time.

Attachment A Agenda Item 7b1

AB 1481 (Bonta)

Support: ACCE Action (co-sponsor), PICO California (co-sponsor), PolicyLink (co-sponsor), Public Advocates (co-sponsor), Western Center on Law & Poverty (co-sponsor), ACT-LA, AFSCME Local 3299, American Civil Liberties Union (ACLU), Asian Americans Advancing Justice-California, Asian Americans and Pacific Islanders for Civic Empowerment Education Fund, Asian Pacific Environmental Network (APEN), Bay Area Legal Aid, California Alliance for Retired Americans, California Conference of Machinists, California Conference Board of the Amalgamated Transit Union, California Labor Federation, California Reinvestment Coalition, California Renters Legal Advocacy and Education Fund (CaRLA), California Rural Legal Assistance, California Rural Legal Assistance Foundation, California Teamsters Public Affairs Council, Central Coast Alliance United for a Sustainable Economy (CAUSE), Central Valley Empowerment Alliance, Chan Zuckerberg Initiative, Coalition for Humane Immigrant Rights (CHIRLA), Community Legal Services in East Palo Alto, Congregations Organized for Prophetic Engagement (COPE), Courage Campaign, East Bay Community Law Center (EBCLC), East Bay For Everyone, East Bay Housing Organizations, Engineers and Scientists of California IFPTE Local 20 AFL-CIO, Enterprise Northern California, Eric Garcetti (Mayor of Los Angeles), Esperanza Community Housing Corporation, Fair Rents for Redwood City, Faith in Action Bay Area, Faith in the Valley, Hamilton Families, Housing California, Housing For All Burlingame, Hunger Action Los Angeles, Indivisible San Diego Central, Indivisible SF, Inlandboatmens Union of the Pacific, Just Cities/Dellums Institute, The Kennedy Commission, Korean Resource Center, Koreatown Immigrant Workers Alliance, LA Forward, LA Voice, Law Foundation of Silicon Valley, Leadership Counsel for Justice & Accountability, Legal Aid Foundation of Los Angeles (LAFLA), Legal Services for Prisoners with Children, Los Angeles Alliance for a New Economy, Los Angeles Homeless Services Authority, Monument Impact, National Association of Social Workers-California Chapter, National Union of Healthcare Workers, Nonprofit Housing Alliance of Northern California, The Orange County Civic Engagement Table, Planning and Conservation League (PCL), Power California, Progressive Asian Network for Action (PANA), Public Counsel, Public Interest Law Project, Professional and Technical Engineers IFPTE Local 21 AFL-CIO, Sacramento Filipinx LBTQIA, Sacred Heart Community Service, San Francisco Foundation, SEIU California, SEIU Local 1021, South Bay Progressive Alliance, Southern California Association of Nonprofit Housing (SCANPH), State Building Trades and Construction Trades Council of California, Strategic Actions for a Just Economy (SAJE), TechEquity Collaborative, Tenderloin Neighborhood Development Corporation, Thai Community Development Center, TransForm, United Teachers Los Angeles, University of California Davis Bulosan Center for Filipino Studies, Utility Workers of America, UNITE HERE AFL-CIO, UNITE HERE Local 19, Viet Vote.

Support if Amended: Building Industry Association of the Bay Area, Related California, San Francisco Bay Area Planning and Urban Research Association (SPUR).

Oppose: Apartment Association California, Southern Cities Apartment Association of Orange County, California Apartment Association, California Association of Realtors, California Rental Housing Association, East Bay Rental Housing Association, Southern California Apartment Association.

AB 1697 (Grayson)

Support: SV@Home

Support if Amended: Bay Area Council, Oakland Chamber of Commerce, San Francisco Bay Area Planning and Urban Research Association (SPUR), TMG Partners

Oppose: Apartment Association California, Southern Cities Apartment Association of Orange County, California Apartment Association, California Association of Realtors, California Rental Housing Association, East Bay Rental Housing Association, Southern California Apartment Association



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0511 | Version: | | Name: | | |
|----------------|----------------|---------------|----|-----------------|--|-------------------------|
| Туре: | Assembly Bill | | | Status: | Commission Approval | |
| File created: | 5/2/2019 | | | In control: | Joint MTC Legislation Commi Legislation Committee | ttee and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | - | |
| Title: | AB 1482 (Chiu |) - Statewide | An | nual Cap on Rer | t Increases | |
| | | | | | ve the percent change in the co period to 10 percent. | st of living and limits |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | 7b2_AB-1482_ | Chiu.pdf | | | | |
| Date | Ver. Action By | | | Act | ion | Result |

Subject:

AB 1482 (Chiu) - Statewide Annual Cap on Rent Increases

Caps annual rent increases by five percent above the percent change in the cost of living and limits the total rental rate increase within a 12 month period to 10 percent.

Presenter:

Rebecca Long

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

Attachments:

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and **ABAG Legislation Committee** May 10, 2019 Agenda Item 7b2 **California Housing Legislation – Protection Bills** Subject: AB 1482 (Chiu) – Statewide Annual Cap on Rent Increases **Background:** AB 1482 would establish a statewide limit on rent increases, allowing for a maximum of 5 percent plus the Consumer Price Index (CPI)¹, annually, effective March 15, 2019. The proposal would bar a rent increase above 10 percent in a single year. AB 1482 would not apply to: 1) deed-restricted affordable housing; 2) dormitories; and 3) does not apply to housing already subject to more restrictive rent caps. The bill requires the landlord to provide notice of any increase in the rental rate to each tenant in accordance with existing law. It also requires that, by January 1, 2033, the Department of Housing and Community Development (HCD) must report to the Legislature regarding the effectiveness of this program. The report shall include, but not be limited to, the impact of the rental rate cap established in this bill on the housing market within the state. **Issues:** The bill aims to strike a balance between protecting tenants with the need for landlords to earn a reasonable enough rate of return to stay in the business, and avoid creating any disincentive for new residential development. Not surprisingly, the bill is opposed by advocates on both sides of the issue, with many tenant advocates concerned the allowable rent increases are too high and apartment association representatives pointing out that California voters showed their dislike of any form of rent control in their rejection of Proposition 10 on the November 2018 ballot. In our view, AB 1482 is different enough from Proposition 10 that it is reasonable for the Legislature to revisit the issue. Most importantly, by setting a statewide annual rent increase of 5 percent plus inflation, AB 1482 provides landlords with a predictable and reasonable rate of return, something that was not the case with Proposition 10. That measure simply broadened the scope of local rent control policies, which tend to allow much lower annual rent increases.

As you know, the cost of housing in California is the highest of any state in the nation, with Bay Area rents and housing prices topping the list. Additionally, the pace of change in the cost of housing has far outstripped that in other parts of the county. For example, in 1970 housing costs in California were 30 percent higher than the national average; now they are

¹ Over the past 25 years the CPI in California have averaged approximately 2.5 percent. However, CPI fluctuates year-to-year and region-to-region, based on macro- and local economic conditions.

250 percent higher. While incomes have increased over that period, they have done so at a much slower pace. As a result, over half of renters and 80 percent of low-income renters are rent-burdened, meaning they pay over 30 percent of their income towards rent.

Research by Zillow from 2018 found that some areas with a high percentage of rent-burdened households experienced a rapid increase in homelessness, and areas where high rents are combined with high poverty experienced triple the homelessness rate of the average community. According to the Terner Center for Housing Innovation at UC Berkeley, California has approximately 16.6 million renters living in about 5.7 million rental units. Of those, 1.9 million renters live in the state's approximately 700,000 rent-controlled units. The other 14.7 million Californians live in approximately five million housing units that are not subject to any controls regarding the amount of rent increases sought upon the completion of a lease.

The CASA Compact was predicated upon the understanding that a solution to the Bay Area's housing crisis requires progress on the "3Ps" of *protection* of existing residents from displacement, *preservation* of existing affordable housing and the *production* of more housing for residents at all income levels. Bay Area legislators are embracing this approach as it's widely recognized that bills that focus on production, while essential, will not address the near-term pressures facing the region's most economically vulnerable households.

In the spirit of supporting a comprehensive and balanced solution to the Bay Area's housing crisis, staff recommends a support position on AB 1482.

- **Recommendation:** Support
- Bill Positions: See attached

Attachment: Attachment A: Bill Positions

Therese W. McMillan

Attachment

AB 1482 (Chiu) Bill Positions

Support: Alliance of Californians for Community Empowerment (co-sponsor), California Rural Legal assistance Foundation (co-sponsor), PICO California (co-sponsor), Public Advocates (cosponsor), Western Center on Law and Poverty (co-sponsor), PolicyLink, ACT-LA, AFSCME Local 3299, American Civil Liberties Union (ACLU), Asian Americans Advancing Justice-California, Asian Americans and Pacific Islanders for Civic Empowerment Education Fund, Asian Pacific Environmental Network (APEN), Bay Area Legal Aid, California Alliance for Retired Americans, California Conference of Machinists, California Conference Board of the Amalgamated Transit Union, California Labor Federation, California Reinvestment Coalition, California Renters Legal Advocacy and Education Fund (CaRLA), California Rural Legal Assistance, California Rural Legal Assistance Foundation, California Teamsters Public Affairs Council, Central Coast Alliance United for a Sustainable Economy (CAUSE), Central Valley Empowerment Alliance, Chan Zuckerberg Initiative, Coalition for Humane Immigrant Rights (CHIRLA), Congregations Organized for Prophetic Engagement (COPE), Courage Campaign, East Bay Community Law Center (EBCLC), East Bay For Everyone, East Bay Housing Organizations, Engineers and Scientists of California IFPTE Local 20 AFL-CIO, Enterprise Northern California, Eric Garcetti (Mayor of Los Angeles), Esperanza Community Housing Corporation, Fair Rents for Redwood City, Faith in Action Bay Area, Faith in the Valley, Hamilton Families, Housing California, Hunger Action Los Angeles, Indivisible San Diego Central, Indivisible SF, Inlandboatmens Union of the Pacific, Just Cities/Dellums Institute, The Kennedy Commission, Korean Resource Center, Koreatown Immigrant Workers Alliance, LA Forward, LA Voice, Law Foundation of Silicon Valley, Leadership Counsel for Justice & Accountability, Legal Aid Foundation of Los Angeles (LAFLA), Legal Services for Prisoners with Children, Los Angeles Alliance for a New Economy, Los Angeles Homeless Services Authority, Monument Impact, National Association of Social Workers-California Chapter, National Union of Healthcare Workers, Nonprofit Housing Alliance of Northern California, The Orange County Civic Engagement Table, Planning and Conservation League (PCL), Power California, Progressive Asian Network for Action (PANA), Public Counsel, Public Interest Law Project, Professional and Technical Engineers IFPTE Local 21 AFL-CIO, Sacramento Filipinx LBTOIA, Sacred Heart Community Service, San Francisco Foundation, SEIU California, SEIU Local 1021, South Bay Progressive Alliance, Southern California Association of Nonprofit Housing (SCANPH), State Building Trades and Construction Trades Council of California, Strategic Actions for a Just Economy (SAJE), TechEquity Collaborative, Tenderloin Neighborhood Development Corporation, Thai Community Development Center, TransForm, United Teachers Los Angeles, University of California Davis Bulosan Center for Filipino Studies, Utility Workers of America, UNITE HERE AFL-CIO, UNITE HERE Local 19, Viet Vote, Working Partnerships USA, YIMBY Action

Support if Amended: Bay Area Council, Building Industry Association of the Bay Area, San Francisco Bay Area Planning and Urban Research Association (SPUR), Youth United for Community Action (YUCA), One San Mateo, Community Legal Services East Palo Alto, Housing for All Burlingame, Oakland Chamber of Commerce, Related California.

Oppose: Apartment Association California, Southern Cities Apartment Association of Orange County, California Apartment Association, California Association of Realtors, California Rental Housing Association, East Bay Rental Housing Association, Southern California Apartment Association.



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0512 | Version: | 1 | Name: | | |
|----------------|---------------------|--------------|--------|-----------------|--|--------------|
| Туре: | Senate Bill | | | Status: | Commission Approval | |
| File created: | 5/2/2019 | | | In control: | Joint MTC Legislation Commit Legislation Committee | tee and ABAG |
| On agenda: | 5/10/2019 | | | Final action: | - | |
| Title: | SB 18 (Skinne | r) - Keep Ca | alifor | nians Housed Ac | t | |
| Sponsors: | Development (| (HCD) to pro | ovide | | dministered by Department of Ho al assistance and legal aid for te egal education. | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>7b3_SB-18_SI</u> | kinner.pdf | | | | |
| Date | Ver. Action By | | | Act | ion | Result |

Subject:

SB 18 (Skinner) - Keep Californians Housed Act

Authorizes a competitive grant program to be administered by Department of Housing and Community Development (HCD) to provide emergency rental assistance and legal aid for tenants facing eviction, meditation between landlords and tenants and legal education.

Presenter:

Rebecca Long

Recommended Action:

Support / ABAG Executive Board Approval Support / MTC Commission Approval

Attachments:

| Metropolitan T | ransportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee |
|----------------|---|
| May 10, 2019 | Agenda Item 7b3 |
| | California Housing Legislation – Protection Bills |
| Subject: | SB 18 (Skinner) – Keep Californians Housed Act |
| Background: | The bill proposes to (1) provide greater awareness of the legal rights and obligations associated with the landlord-tenant relationship, (2) make permanent the existing protections for tenants in a foreclosed property, and (3) make an unspecified amount of one-time funding available to the Department of Housing and Community Development (HCD) for rental assistance and legal aid services of tenants. |
| | This bill, no later than January 1, 2021, would require the Department of Consumer Affairs (DCA) to publish online, and update biannually, a guide to all state laws pertaining to landlords and the landlord-tenant relationship. |
| | In 2012, as part of its "Homeowners Bill of Rights" responding to the foreclosure crisis, California enacted legislation (AB 2610, Skinner) providing new protections for tenants in foreclosure situations. Specifically, the bill provided such tenants the right to at least 90 days' notice about termination of their tenancy in all foreclosure situations, and, in the case of tenants with fixed-term leases, the new law prevented the new, postforeclosure owner of the property from evicting tenants prior to the expiration of the pre-existing lease term. These protections are set to sunset on January 1, 2020. This bill would make them permanent. |
| | This bill would also make an unspecified sum available to HCD for statewide competitive grants under the California Emergency Solutions and Housing Program for rental assistance, mediation, and legal assistance. The bill would limit administrative cost to a maximum of 10%. |
| Issues: | According to HCD, over half of California tenants are rent burdened, meaning that they pay more than 30 percent of their monthly earnings in rent, and almost 29 percent of the state's tenants are severely rent burdened, meaning that they spend more than 50 percent of their monthly income on rent. ¹ In such a tight housing market, an eviction or an escalation in conflict that leads to court proceedings can be prevented by educating both landlords and tenants of their rights and current law. |

¹ California's Housing Future: Challenges and Opportunities, Final Statewide Housing Assessment 2025 (Feb. 2018) California Housing and Community Development Department http://www.hcd.ca.gov/policyresearch/plansreports/docs/SHA_MainDoc_2_15_Final.pdf (as of Apr. 7, 2019) at p. 27.

While the number of foreclosures in California has returned to "normal" levels, after spiking during the Great Recession, tenants remain vulnerable to housing instability when the dwelling they rent changes ownership due to a foreclosure.² High rates of foreclosure could easily return with another downturn in the economy. Extending the common-sense protections for tenants will therefore continue to prevent evictions and displacement of tenants who have otherwise complied with their lease agreement.

Meanwhile, approximately 165,000 tenants face eviction proceedings in courts each year.³ Most of these tenants lack legal representation due to financial constraints. Providing legal assistance to low-income households can prevent unlawful evictions which have significantly impacted low-income communities in gentrifying neighborhoods.

Providing rental assistance, with caps, could therefore prevent the majority of evictions in the state, while reducing the burden on landlords to evict one tenant and find a replacement. Given the recent sharp uptick in the homeless population statewide, tenant protections could help the state and local governments realize significant financial savings by reducing the demand for homeless services. While SB 18 only provides one-time funding for this purpose, staff recommends a support position on the bill.

Recommendation: Support

Bill Positions: See attached

Attachment: Attachment A: Bill Positions

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Therese W. McMillan

² Pradhan, The Foreclosure Rate Is Now Back to Pre-Crisis Levels (Jul. 25, 2018) Core Logic https://www.corelogic.com/blog/2018/07/the-foreclosure-rate-is-now-back-to-pre-crisis-levels.aspx (as of Apr. 7, 2019).

³ Inglis and Preston. California Evictions are Fast and Frequent (May 2018) Tenants Together

http://www.tenantstogether.org/sites/tenantstogether.org/files/CA_Evictions_are_Fast_and_Frequent.pdf (as of Apr. 7, 2019) at p. 2.

Attachment A Agenda Item 7b3

Bill Positions on SB 18 (Skinner)

Support:

Alliance of Californians for Community Empowerment American Federation of State, County and Municipal Employees, AFL-CIO American Planning Association, California Chapter Anti-Eviction Mapping Project-Los Angeles Rusty Bailey, Mayor, City of Riverside BASTA, Inc. Bay Area Legal Aid Bet Tzedek Legal Services London Breed, Mayor, City of San Francisco Building Industry Association of the Bay Area California Alliance for Retired Americans California Community Builders California Rural Legal Assistance Foundation California Rural Legal Assistance, Inc. California Teamsters Public Affairs Council California YIMBY Central California Legal Services Community Legal Services in East Palo Alto Disability Rights Education and Defense Fund East Bay Community Law Center East Bay for Everyone Eden Housing City of Emeryville **Enterprise Community Partners** Facebook, Inc. Kevin Falconer, Mayor, City of San Diego Eric Garcetti, Mayor, City of Los Angeles Robert Garcia, Mayor, City of Long Beach Karen Goh, Mayor, City of Bakersfield Habitat for Humanity East Bay/Silicon Valley Housing Equality & Advocacy Resource Team Inner City Law Center Justice and Diversity Center of the Bar Association of San Francisco Larkin Street Youth Services Law Foundation of Silicon Valley Legal Aid Association of California Legal Aid Foundation of Los Angeles Legal Aid of Marin Sam Liccardo, Mayor, City of San Jose LA Forward

Los Angeles Community Action Network Los Angeles County Board of Supervisors Los Angeles Tenants Union National Housing Law Project Neighborhood Legal Services of Los Angeles County Non-Profit Housing Association of Northern California Oakland Chamber of Commerce PICO California Miguel Pulido, Mayor, City of Santa Ana Related California City of Santa Monica San Francisco Bay Area Planning and Urban **Research Association** The San Francisco Foundation Libby Schaaf, Mayor, City of Oakland Harry Sidhu, Mayor, City of Anaheim Silicon Valley At Home South Bay YIMBY Darrell Steinberg, Mayor, City of Sacramento Strategic Action for Just Economy TMG Partners Michael Tubbs, Mayor, City of Stockton **UNITE HERE! Local 19** Venice Community Housing Corporation City of West Hollywood Western Center on Law & Poverty, Inc. Working Partnership USA

Oppose:

Affordable Housing Management Association, Pacific Northwest Apartment Association, California Southern Cities Apartment Association of Orange County California Apartment Association East Bay Rental Housing Association Southern California Rental Housing Association Valley Industry and Commerce Association



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0508 | Version: | 1 | Name: | |
|---|----------------|----------------------------|--------|-------------------|---|
| Туре: | Senate Bill | | | Status: | Commission Approval |
| File created: | 5/2/2019 | | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | | Final action: | - |
| Title: | SB 330 (Skinn | er): Housing |) Cri | sis Act of 2019 | |
| | SB 330 is a wi | de reaching | bill 1 | that aims to acce | lerate housing development, provide project |
| Sponsors: | | ore certainty | | | lerate housing development, provide project reduce displacement of existing residents from |
| • | proponents me | ore certainty | | | |
| Sponsors: Indexes: Code sections: | proponents me | ore certainty | | | |
| Indexes: | proponents me | ore certainty uildings. | | | |

Subject:

SB 330 (Skinner): Housing Crisis Act of 2019

SB 330 is a wide reaching bill that aims to accelerate housing development, provide project proponents more certainty and lower fees, and reduce displacement of existing residents from substandard buildings.

Presenter:

Rebecca Long

Recommended Action:

Seek Amendments / ABAG Executive Board Approval Seek Amendments / MTC Commission Approval

Attachments:

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

| May 10, 2019 | Agenda Item 7c1 |
|--------------|--|
| | SB 330 (Skinner): Housing Crisis Act of 2019 |
| Subject: | SB 330 is a wide reaching bill that aims to accelerate housing development, provide project proponents more certainty and lower fees, and reduce displacement of existing residents from substandard buildings. |
| Background: | The bill contains four distinct components: 1) project approval acceleration for zoning- compliant projects; 2) greater certainty for project proponents about the fees and rules applicable to a project; 3) until 2030, limitations on parking, fees, downzoning and building moratoria in "affected areas" identified by the Department of Housing and Community Development (HCD) as having particularly high rent and low vacancy rates; and 4) requirements for new building standards for occupied buildings that are deemed out of compliance with the state's building code but do not post a life-safety risk. |
| Discussion: | Project Approval Acceleration SB 330 establishes new criteria applicable to determining when a housing development project proponent has submitted a "complete initial application" and requires HCD to adopt a |

project proponent has submitted a "complete initial application" and requires HCD to adopt a standardized form for this purpose. The bill provides that a project may not be subject to new ordinances, rules or fees after a complete initial application is submitted except under certain circumstances, such as when necessary for health and safety, to mitigate a project under the California Environmental Quality Act, or the project has not begun construction within three years of receiving final approval. If a project complies with existing zoning and the general plan, the bill provides that a local government may not: (1) require more than five de novo public hearings or 2) delay a decision about whether or not to issue a permit beyond 12 months, with an extension allowed in certain circumstances.

Downzoning and Parking Restrictions - Limited to "Affected Areas"

As noted above, portions of SB 330 are limited to locations with high rent and low vacancy rates and would apply only until 2030. Based on preliminary information provided by Senator Skinner's office, it appears likely that every Bay Area county would have at least one jurisdiction deemed an "affected area." In such areas, the bill would prohibit a local agency, or its voters, from (1) adopting any policy that would result in a "less intensive" residential use than what was in effect on January 1, 2018; (2) imposing a moratoria or cap on housing development; or (3) imposing or enforcing design standards that are not objective. The bill allows for a reduction in residential density if the local agency adjusts zoning elsewhere to ensure no net loss in residential capacity.

In addition, the bill contains specific parking requirements for projects proposed in affected areas. Within ¹/₄-mile of a rail station, no new parking requirements or enforcement of existing requirements would be allowed for projects located in (1) a city within a county with a population greater than 700,000¹; or (2) within a city with a population greater than 100,000.² For projects outside a ¹/₄-mile radius from a rail station, no minimum parking requirement above 0.5 parking spaces/unit would be allowed. The bill would also cap all fees and exactions at the level set on January 1, 2018, other than allowing for annual adjustments if referenced in the ordinance establishing the fee. For units affordable to low-income

¹Includes Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara counties

² Includes cities of Fairfield, Santa Rosa and Vallejo

households (80% AMI or below and subject to an affordability restriction for at least 55 years), the bill would prohibit any fees from being charged. The bill would also provide that a project shall be considered consistent with zoning standards if it was consistent with general plan standards in effect on January 1, 2018.

Occupied Substandard Building Provisions

SB 330 also requires HCD to develop building standards for an "occupied substandard building," that could be used for up to seven years in lieu of the state's more stringent published building standards. The standards developed by HCD must (1) require that an occupied substandard building include adequate sanitation and exit facilities and comply with seismic safety standards; (2) permit those conditions prohibited under existing substandard building laws that do not endanger the life, limb, health, property, safety, or welfare of the public or the occupant; and (3) Meet rules and regulations developed by the State Fire Marshal.

Staff Analysis

We find SB 330's provisions related to streamlining zoning-compliant projects and locking in fees and rules at the point when an initial application is submitted to be reasonable and likely to speed up the construction of new housing. The bill also tailors a number of its requirements to jurisdictions facing the greatest housing affordability challenges and sets different requirements based on the size of cities. In our meeting with the Housing Legislative Working Group, we heard concerns that 12 months may be too short for larger, complex projects. We also heard concerns about impact fees and the look-back provisions on zoning standards, allowing for densities if they would have been allowed *prior to* January 1, 2018. While we also heard concerns about the substandard building standards provision, We believe the bill's language makes clear that such standards must adequately protect health and safety of a building's occupants and the public and therefore do not recommend amendments on that aspect of the bill. Accordingly, we recommend the following amendments:

Approval Timeline—set a tiered timeline for project approvals based on project size to with the appropriate timing to be further researched;

Allow Annual Adjustment for All Market-Rate Units-Allow for a cost of living adjustment for fees on market-rate units, even if not specified in an original ordinance;

Don't Lock in Zoning-Eliminate the bill's "look back" provision on zoning standards prior to January 1, 2018.

- **Recommendation:** Seek Amendments
- **Bill Positions:** See attached

Attachments: Attachment A: Bill Positions

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Attachment A Agenda Item 7c1

SB 330 Official Positions

SUPPORT:

Bay Area Council **BRIDGE** Housing CA Building Industry Association CBIA Bay Area **CA Business Properties** Association CA Community Builders California YIMBY EAH Housing East Bay for Everyone East Bay Leadership Council Emerald Fund Enterprise Facebook Hamilton Families Local Government Commission Nonprofit Housing Association of North America

North Bay Leadership Council Oakland Chamber of Commerce Related The San Francisco Foundation San Francisco Housing Action Coalition Santa Cruz YIMBY SV@Home Terner Center for Housing Innovation, UC Berkeley TMG Partners Urban Displacement Project, UC Berkeley PICO – If Amended Non-Profit Housing Association of Northern CA – If Amended SPUR – In Concept

OPPOSITION

South Bay Cities Council of Governments City of Solano Beach City of San Marcos City of Paramount City of Rancho Cucamonga City of Cupertino City of Ventura City of Camarillo City of La Mirada City of Thousand Oaks Ventura Council of Governments Cities Association of Santa Clara County Livable California American Planning Association CSAC League of CA Cities Urban Counties of CA



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0479 | Version: 1 | | Name: | | |
|----------------|----------------------------------|-----------------------------------|-----------|-------------------|--|------------|
| Туре: | Senate Bill | | | Status: | Commission Approval | |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Committee and Legislation Committee | ABAG |
| On agenda: | 5/10/2019 | | | Final action: | - | |
| Title: | | | | | ves - Upzoning Near Transit & Jobs-Rich in Specified Areas | Areas & By |
| | transit stations Department o | s, ¼-mile of hig f Housing and | gh- Cc | quality bus corri | ensity multifamily housing to be built within dors and in areas designated as "jobs-rich opment. The bill also provides for smaller, banized areas. | n" by the |
| Sponsors: | | | | | | |
| Indexes: | | | | | | |
| Code sections: | | | | | | |
| Attachments: | <u>7c2_SB-50_V</u> | Viener.pdf | | | | |
| | 7c2_Handout | <u>San Mateo C</u> | om | <u>iments.pdf</u> | | |
| Date | Ver. Action By | y | | Ac | tion | Result |

Subject:

SB 50 (Wiener): Equitable Communities Incentives - Upzoning Near Transit & Jobs-Rich Areas & By Right Allowance for Small Residential Projects in Specified Areas

SB 50 would allow varying degrees of higher-density multifamily housing to be built within ½-mile of transit stations, ¼-mile of high-quality bus corridors and in areas designated as "jobs-rich" by the Department of Housing and Community Development. The bill also provides for smaller, by-right residential development on vacant parcels in urbanized areas.

Presenter:

Rebecca Long

Recommended Action:

Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval

Attachments:

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

| May 10, 2019 | Agenda Item 7c2 |
|-----------------|---|
| SB 50 (Wiener): | Equitable Communities Incentives – Upzoning Near Transit & Jobs-Rich Areas & By Right Allowance for Small Residential Projects in Specified Areas |
| Subject: | SB 50 would allow varying degrees of higher-density multifamily housing to be built within ½-mile of transit stations, ¼-mile of high-quality bus corridors and in areas designated as "jobs-rich" by the Department of Housing and Community Development. The bill also provides for smaller, by-right residential development on vacant parcels in urbanized areas. |
| Background: | SB 50 seeks to encourage more transit-oriented development and housing closer to jobs by allowing developers to build higher levels of density around California's fixed-route transit (rail and ferry) stations, high-quality bus stops and jobs-rich areas than would in many cases be allowed under current zoning. The bill has two main components: |
| | Equitable Communities Incentive (ECI) To quality for an ECI, a parcel must be already zoned to allow residential and meet numerous other requirements. The ECI itself is tiered depending on the proximity to a transit station, as follows: |
| | For a project located in either a jobs-rich area, within ¼-mile of a high-quality bus stop, or within ½-mile of a transit station, the incentive would include: 1) a waiver from maximum controls on density; and 2) a waiver from minimum parking requirements greater than 0.5 spaces/unit. For a project within ½-mile of a transit station, the incentive would allow at least 45 feet tall and 2.5 floor area ratio (FAR). For a project within ¼-mile of a transit station, the incentive would allow at least 55 feet tall and 3.25 FAR. |
| | County Size Threshold Added Recent amendments to SB 50 significantly scaled back its applicability in counties with fewer than 600,000 residents. In those counties, the ECI would only apply to projects located within ½-mile of a transit station within cities greater than 50,000. As such, the Bay Area's four northern counties (Marin, Napa, Solano and Sonoma) are currently excluded from significant provisions of the bill and the more modest ECI provisions would only apply in six cities—Fairfield, Novato, Petaluma, San Rafael, Santa Rosa and Vallejo. In these cities, the ECI would provide: |
| | A waiver on maximum controls on density, with a minimum requirement of 30 units/acre in jurisdictions considered; metropolitan and 20 units/acre in jurisdictions considered suburban An allowance of one story or 15 feet above the highest allowable height for |

residential or mixed use;Maximum FAR requirements less than 0.6 times the number of stories;

No parking requirement for a housing development located within 1/4 –mile radius of a transit station in a city with a population greater than 100,000 (Fairfield, Santa Rosa & Vallejo) and elsewhere in these six cities, a waiver from parking requirements greater than 0.5/unit.

Neighborhood Multifamily Projects

In addition, SB 50 now also includes a section, originally proposed by SB 4 (McGuire), allowing for by-right development on vacant parcels that are already zoned to allow for residential development and are located within urbanized areas or, in census terminology, "urban clusters." The bill excludes numerous sensitive land from this provision, similar to those excluded from SB 35, such as coastal zones, high fire zones, etc. See Attachment B for a map indicating the areas subject to SB 50 and those that are excluded. Conversions would be allowed in limited circumstances.

Deferral in Sensitive Communities

The bill would defer applicability of the ECI in "sensitive communities," which the bill defines as the intersection of Communities of Concern and the Bay Conservation and Development Commission's sensitive communities designations for the Bay Area until January 2026. Such areas could instead develop a community plan, but it must ultimately meet the same level of development capacity as provided for in the bill and meet other requirements. The bill also excludes sites that contain housing occupied by tenants or that was previously occupied by tenants within the preceding seven years or the owner has withdrawn the property from rent or lease within 15 years prior to the date of application.

Discussion: SB 50 has the potential to make tremendous progress on the region's housing production with a particular emphasis on increased housing at all income levels near transit. However, there are a number of outstanding issues to be resolved. These include the definition of jobs-rich, which does not adequately prioritize areas that can help improve jobs/housing balance, and the rigidity of the height allowance within 1/2-mile of a transit station. As such, staff recommends a "support if amended" position on the bill with the understanding that staff should work to resolve these two issues in particular, and other issues as may be directed by the ABAG Executive Board and Commission.

Recommendation: Support if Amended

Bill Positions: See Attachment C

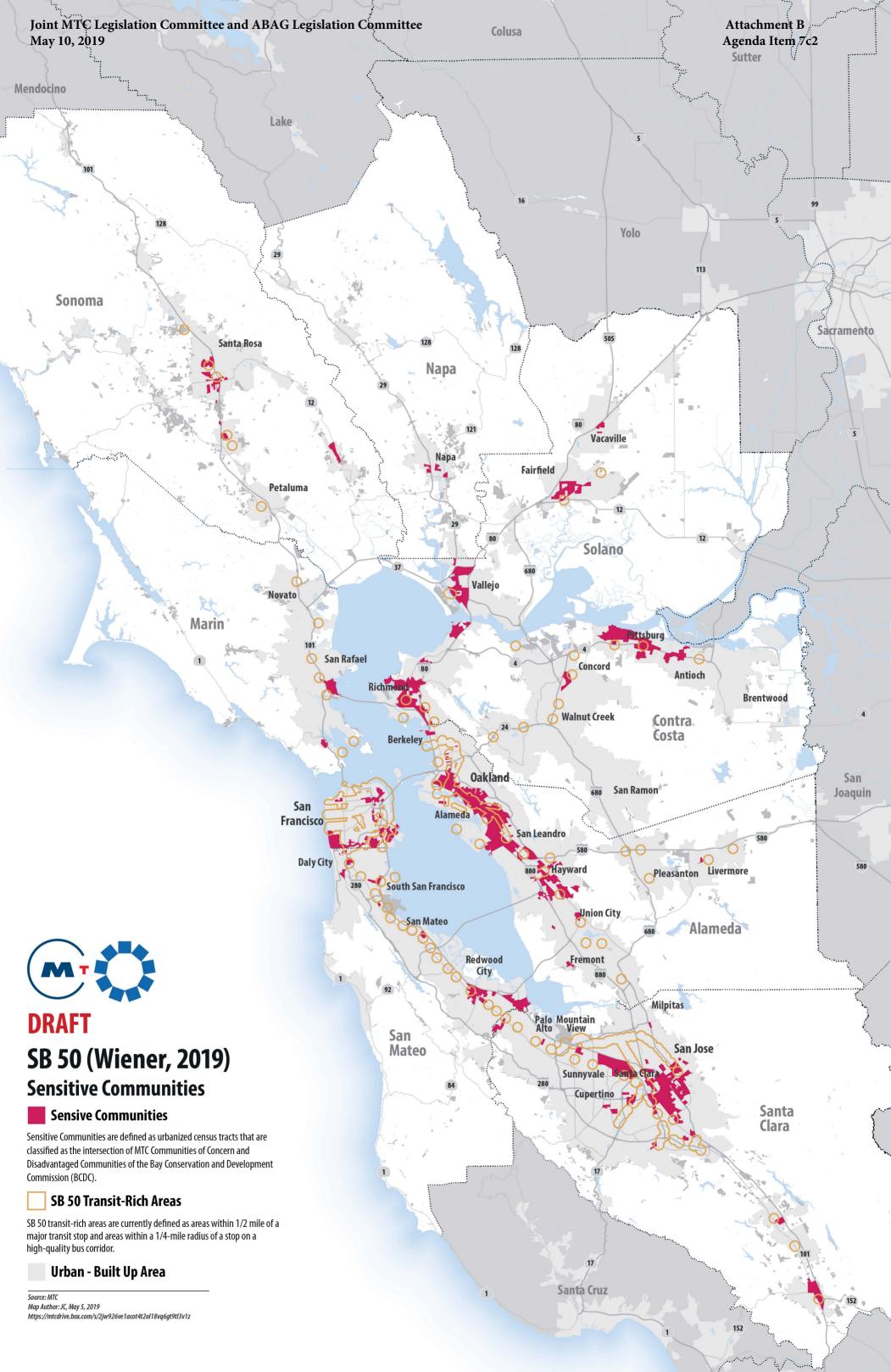
Attachment A: Inclusionary Housing Requirements in SB 50 Attachments: Attachment B: Draft SB 50 (Wiener, 2019) Sensitive Communities Map Attachment C: Bill Positions

here Whol

Joint MTC Legislation Committee and ABAG Legislation Committee Attachment A May 10, 2019 Attachment 7c2

| Project Size | Inclusionary Housing Requirements in SB 50 |
|-------------------|---|
| 1-10 units | No affordability requirement. |
| 11-20 units | Developer may pay an in lieu fee, where feasible, toward housing offsite affordable to lower income households. |
| 21-200 units | 15% lower-income OR 8% very low-income OR 6% extremely low-income |
| 201 – 350 units | 17% lower-income OR 10% very low-income OR 8% extremely low-income |
| 351 units or more | 25% lower-income OR 15% very low-income OR 11% extremely low-income |

Inclusionary Housing Requirements in SB 50



Attachment C Agenda Item 7c2

Support and Opposition to SB 50

Source: Senate Governance & Finance Committee, as of 4/19/19

Support: 3,025 Individuals; 6beds, Inc.; AARP; Bay Area Council; Bridge Housing Corporation; Building Industry Association of The Bay Area; Burbank Housing Development Corporation; Calasian Chamber of Commerce; California Apartment Association; California Chamber of Commerce; California Community Builders; California National Party; California Yimby; Dana Point Chamber Of Commerce; Emeryville; City of; Facebook, Inc.; Fieldstead and Company, Inc.; Fossil Free California; Greater Washington; Hamilton Families; Local Government Commission; Los Angeles Area Chamber of Commerce; Ms.; Murrieta Chamber of Commerce; Natural Resources Defense Council; North Orange County Chamber of Commerce; Oakland Metropolitan Chamber of Commerce; Related California; Santa Cruz County Chamber of Commerce; Santa Maria Valley Chamber of Commerce; Schott & Lites Advocates Llc; Silicon Valley At Home (SV@Home); Silicon Valley Leadership Group; South Bay Jewish Federation; South Bay Yimby; Spur; State Council on Developmental Disabilities; Stripe; Technet-Technology Network; The Silicon Valley Organization; Tmg Partners; Valley Industry And Commerce Association; Yimby Action

Opposition: 1,850 Individuals; Aids Healthcare Foundation; Alliance of Californians for Community Empowerment (Acce) Action; American Planning Association, California Chapter; Asian Pacific Environmental Network; Barbary Coast Neighborhood Association; Bay Area Transportation Working Group; Berkeley Tenants Union; Brentwood Community Council - West Los Angeles; Causa Justa :: Just Cause; Central Valley Empowerment Alliance; Century Glen Hoa; City of Brentwood; City of Chino Hills; City of Cupertino; City of Downey; City of Glendale; City of Lafayette; City of Lakewood; City of La Mirada; City of Palo Alto; City of Rancho Cucamonga; City of Rancho Palos Verdes; City of Pinole; City of Redondo Beach; City of San Mateo; City of Santa Clarita; City of Solana Beach; City of Sunnyvale; City of Vista; Coalition for San Francisco Neighborhoods; Preserve LA; Concerned Citizens of Los Feliz; Cow Hollow Association; Dolores Heights Improvement Club; Dolores Street Community Services; East Mission Improvement Association; East Yard Communities for Environmental Justice; City of Glendora; Grayburn Avenue Block Club; Homeowners of Encino; Housing for All Burlingame; Housing Rights Committee of San Francisco; Jobs with Justice San Francisco; Jordan Park Improvement Association; Legal Services for Prisoners with Children; League of California Cities; Los Angeles Tenants Union - Hollywood Local Case Worker; Los Angeles Tenants Union -- Networking Team; Miraloma Park Improvement Club; Mission Economic Development Agency; New Livable California Dba Livable California; Noe Neighborhood Council; Northeast Business Economic Development Dba Northeast Business Association; City of Pasadena; Planning Association for the Richmond; Poder; Redstone Labor Temple Association; Regional-Video; Sacred Heart Community Service; San Francisco Senior And Disability Action; San Francisco Rising Alliance; San Francisco Tenants Union; Save Capp Street; Senior and Disability Action; SF Ocean Edge; Sherman Oaks Homeowners Association; South Bay Cities Council Of Governments; South Brentwood Residents Association; South of Market Community Action Network; Stand Up For San Francisco; Sunset-Parkside Education And Action Committee (Speak); Sutro Avenue Block Club/Leimert Park; Telegraph Hill Dwellers; Tenant Sanctuary; Tenants Together; The San Francisco Marina Community Association; Toluca Lake Homeowners Association; United to Save the Mission; Urban Habitat; West Mar Vista Residents Association; Yah! (Yes to Affordable Housing)



April 1, 2019

Via Electronic Mail

Senator Jerry Hill 1528 South El Camino Real, Suite 303 San Mateo, CA 94402

Re: CASA Compact

Dear Senator Hill:

Thank you for the very productive Housing Roundtable meeting you coordinated on March 15, 2019, at the Redwood City Library. As we discussed, Hillsborough has long committed to providing housing choices to meet the needs of current residents and their families, along with those who provide important services to the community, such as teachers and public safety personnel. Specifically, the Town of Hillsborough's housing accomplishments are as follows:

- As of December 2018, Hillsborough already has issued permits for new housing units for nearly 90% of the required Regional Housing Needs Allocation (RHNA) for the 2014-2022 Housing Element Cycle.
- Hosted a community meeting on "Housing and Our Future", which included presentations of housing resources (HIP Shared, Accessory Dwelling Units (ADUs) and 21 Elements programs).
- Was awarded a "Home For All Community Engagement Pilot Program" grant for our 2022 Housing Element.
- Adopted regulations allowing the processing of all ADUs as ministerial projects with objective design standards.
- Prohibited short term rentals in ADUs, accommodates amnesty and has waived public notification and fees for ADUs.
- Served as a founding participant in the "Home For All" program, facilitating the streamlined processing of ADUs.
- Has made information regarding fees, codes and standards publicly available with a special website for housing.
- Participated on San Mateo County's Steering Committee for regional housing efforts.
- Consistently completed Annual Progress Reports and received certification of Housing Elements.

These efforts are reflective of the CASA tenets and demonstrate success without the need for legislation, which would remove local authority and potentially preclude community solutions.

Senator Jerry Hill April 1, 2019 Page 2

In addition to the Town of Hillsborough's accomplishments, San Mateo County as a whole has made substantial strides, including narrowing the jobs/housing imbalance.

Hillsborough notes, as it did at the Housing Roundtable, the following concerns with CASA:

- Usurps local zoning standards.
- Lacks San Mateo County elected officials and/or staff representation on the development of the Compact.
- Emphasizes mandates rather than incentives.
- Tax implications to fund programs for California residents and businesses during times of pension and other economic challenges.
- Potential inequities in property tax allocations.

While each jurisdiction has its individual character, a point made by many at the Housing Roundtable, Hillsborough is unique as there are only a handful of communities in the State of California that have no commercial businesses whatsoever. Hillsborough has been successfully providing affordable housing availability in Town, while preserving the essential character of our community, and also working towards housing solutions beyond our boundaries. The CASA Compact attempts to address housing availability and opportunities with a generic approach, which jeopardizes the individuality and diversity of San Mateo County communities and beyond.

The jurisdictions in San Mateo County have historically established innovative solutions to housing issues. San Mateo County was the first in the state to create a sub-region for housing allocation through the Regional Housing Needs Allocation process. This example and others in Hillsborough and San Mateo County indicate that we can be successful in finding and implementing affordable housing efforts as a sub-region.

We strongly urge that there be a collaborative effort during any transition from the Compact to legislation. We all want to succeed in this critical effort. We welcome the opportunity to further discuss our comments in this letter and at the Housing Roundtable, including possible solutions such as public/private partnerships.

Sincerely,

Shawn M. Christianson, Mayor Town of Hillsborough

Handout Agenda Item 7c2



330 West 20th Avenue San Mateo, California 94403-1338 Telephone (650) 522-7048 FAX: (650) 522-7041 www.cityofsanmateo.org

OFFICE OF THE MAYOR

April 17, 2019

Senator Scott D. Wiener State Capitol, Room 5100 Sacramento, CA 95814-4900

The City of San Mateo opposes SB 50 due to its one-size-fits all approach that disregards local conditions and usurps local land use decisions from our community. Specifically, the City of San Mateo takes exception to SB 50 because:

- 1. It's not data driven SB 50 is based upon blanket statewide data about the absence of housing, without regard for the actual housing construction in a particular community. For example, the number of housing units in San Mateo has increased by 11% in just the last 3 years, with more on the horizon. Further, all but one multi-family housing project submitted in the last 30 years has been approved. SB 50 also does not provide for any follow up monitoring to see whether it accomplished what it set out to do or to make any corrections, especially if there are untenable fiscal impacts upon our City as a result of unexpected burdens.
- San Mateo has been a leader in Transit-Oriented Development (TOD) The City of San Mateo was a leader in implementing a comprehensive Rail Corridor TOD. In 2005, it entitled the former racetrack (Bay Meadows) and today it is a world-class project that addresses many of the concerns and directives outlined in SB 50. SB 50 is punitive and unreasonable, especially for a city like San Mateo that has been a leader in housing development.
- 3. It disregards local land use constraints Land use has historically been locally controlled because of physical constraints. In San Mateo, land has varying physical and topographical constraints such as inclines and water. SB 50 mandates heights and densities irrespective of the physical characteristics of land. In addition, the Peninsula, including San Mateo, has Open Space designations that constrain its ability to grow. We must maintain our ability to thoughtfully produce housing within the confines of our physical land constraints.
- 4. It could actually exacerbate the issue Land value in upzoned areas, especially singlefamily areas, will become more valuable because of its development potential for multifamily housing. Often times, upzoning only increases speculation without increasing actual construction. Either way, it increases housing costs.

- 5. It disregards the fiscal impact on cities San Mateo faces a number of significant financial issues, including an onerous and burdensome increase in pension costs and stagnant sales tax revenues, that put pressure on our ability to provide services. SB 50 fails to account for how our City will be able to subsidize the additional infrastructure and services required by the additional housing it contemplates.
- San Mateo has prioritized affordable housing In addition to inclusionary housing requirements, San Mateo has dedicated three separate parcels that it owns to affordable housing. These developments have produced (or will produce) a total of 352 units along the transit corridor and increase affordable rental housing units in San Mateo by approximately 35%.

And finally, California has a legally-required process for a City to establish its common destiny, which is the City's General Plan. San Mateo is in the midst of a comprehensive update of its General Plan to set its vision for what it will be in 2040. To that end, we are having extensive community discussions about the future of the City, including identifying the location of underutilized zones for additional housing.

The City of San Mateo acknowledges that there is a housing shortage in California, and we are committed to doing our part to solve this issue and increase the opportunity for the supply of housing. It is imperative, however, that we are able to do that thoughtfully at the local level to ensure that it is done with the entire San Mateo community in mind.

Respectfully, Diane D. Papan, Mayor City of San Mateo

CITY OF SAN CARLOS OFFICE OF THE CITY MANAGER



600 ELM STREET SAN CARLOS, CA 94070 (650) 802-4228 CITYOFSANCARLOS.ORG

Handout

Agenda Item 7c2

April 22, 2019

Senator Scott Wiener California State Capitol State Capitol, Room 5100 Sacramento, CA 95814 <u>senator.wiener@senate.ca.gov</u>

RE: Impacts of SB 50 on the City of San Carlos Delivered Via Post and Electronic Mail

Dear Senator Wiener:

This letter is being sent to you with the approval of the City Council. While we fully recognize the need and actively support the development of housing, we believe SB 50 as written will have dire consequences on some communities, including San Carlos. Ensuring that you have all of the facts about how this bill will impact our community and how you can modify the bill to have less of a negative impact on cities like ours is the purpose of this letter.

The City of San Carlos is a 5.5 square mile city comprised of 30,000 residents that has been working steadfastly to meet the housing needs of the community. In the current Housing Element Cycle, the City was allocated 596 units as part of the Regional Housing Needs Allocation ("RHNA") process to be completed by the end of 2023. To date, the City has:

- Approved 61% of this requirement;
- Is processing additional projects that will likely receive approval, which will result in 84% compliance of this requirement; and
- Is on target to wholly meet the total number of units allocated by the State by the end of the Cycle.

While the overall RHNA requirement will almost certainly be met, the City recognizes the difficulty of providing units allocated for lower incomes. The City is not a developer and does not have the capacity to build the units required under RHNA; however, it has the ability to zone land and provide incentives to catalyze the construction of those units. Our City has adequately zoned land for such opportunities and has undertaken several strategies to increase the number of below market rate ("BMR") units, these include:

• Established the availability of flexible development standards through Planned Development rezoning for affordable housing projects;

- Required parking reductions specific to affordable housing developments near transit;
- Conducted City-led public education and advocacy campaigns to increase community understanding of affordable housing as a need and general concept;
- Established an Inclusionary Zoning Ordinance mandating a 15% minimum BMR unit provision in market-rate multifamily developments;
- Relaxed Accessory Dwelling Unit standards to incentivize their production;
- Established a Commercial Linkage Fee to collect funds restricted to use by affordable housing projects; and
- Entered into active partnerships with affordable housing developers to increase the number of BMR units in the city. For example:
 - The City is currently processing a project that will be supported by \$5-\$7 million dollars of City funding for the redevelopment of a site in downtown San Carlos that will produce 24 units of 100% affordable studios for extremely low- to very-low income households.
 - The City is entering into a partnership to assemble land to contribute, along with several millions of affordable housing trust funds, to develop a 30-unit 100% affordable housing project aiming to provide larger, family units.

In sum, our small city of 30,000 residents has worked unwaveringly to stimulate the development of housing at all income levels.

Suggestions for SB 50

SB 50 does not take into account the positive strides that the City of San Carlos has made over the years. Our City has made transit-oriented development a priority and has zoned sufficient land walkable to our major transportation nodes to ensure that our community housing needs are being met over our planning periods. Your proposed bill stands to upend the planning process and remove input from our community members. It is imperative that the voices of our residents be held tantamount to those of large urban centers that support your bill. This issue should not be addressed a one-size-fits-all solution. Please consider the following as you make amendments to your bill:

- Although SB 50 requires new development to conform to local BMR ordinances, developers are not interested in developing affordable housing. While cities can take the initiative to get workforce housing built, hundreds of smaller cities do not have the expertise or resources to do it. Those that do need more housing dollars and grants to be dedicated by the state for the construction of BMR housing. Can SB 50 include stronger language requiring a higher percentage minimum for BMR housing and identify funding to support its construction?
- The bill would create a distraction from the City's current efforts to produce affordable housing through partnerships with non-profit developers and through its inclusionary zoning

ordinance. SB 50 could change community opinion and turn supporters into adversaries effectively stunting the efforts of projects outside the SB 50 zones.

- The SB 50 proposal for housing being within a certain distance of our transit hub will have a detrimental impact on our well established single-family neighborhoods. Can an amendment be made to only include multi-family and mixed-use zones?
- Can an amendment be made to allow for height transitions between single-family homes and higher density housing?
- The provision of three incentives and concessions provides too great an opportunity for developers to deviate from a city's urban design best practices. The only burden of proof for a concession is for the builder to demonstrate a cost hardship. Many developers will use the least expensive and lowest quality materials. Once the building is sold the community has to bear the brunt of shoddy design. Can the number of concessions/incentives be reduced or removed or a higher burden be placed on the builder to push them to design attractive and high quality buildings?

Thank you for seriously considering the suggested changes to this bill.

Sincerely,

Jeff Maltbie City Manager

Handout Agenda Item 7c2



CITY OF SAN BRUNO

CITY COUNCIL

April 24, 2019

The Honorable Scott Wiener California State Senate State Capitol, Room 5100 Sacramento, CA 95814-4900

RE: Statement of Concern with regard to SB 50 (Wiener) - Housing, Opportunity, Mobility, Equity, and Stability Act

Dear Senator Wiener:

The City of San Bruno would like to take an opportunity to notify you of the City's concerns on the proposed Senate Bill 50 as it relates to the City of San Bruno.

San Bruno is a suburban community with three freeways (101, I-280 and I-380), a high capacity bus route along El Camino Real, a BART station, and a Caltrain station. As such, San Bruno's development regulations are tailored to the various needs and characteristics of the community. Many neighborhoods, commercial areas, and other uses (schools, day cares, parks, medical offices, hospitals) are not within walking distance or accessible by transit. Access to transit is also constrained by the City's hilly topography. For example, there is an over 800-foot elevation change between the San Bruno Caltrain station and the farthest residential neighborhood to the west of the city. This requires that our development standards reflect the unique access challenges posed by the natural environment.

SB 50, as proposed, would allow a residential development eligible for an equitable communities incentive to receive waivers from local regulation such as: (1) maximum controls on density and minimum controls on automobile parking requirements; (2) up to 3 additional incentives or concessions under the Density Bonus Law; and (3) specified additional waivers if the residential development is located within a one-half mile radius of San Bruno's BART and Caltrain stations and within one-quarter mile radius of a transit stop on a "high quality transit corridor" which may include bus routes in San Bruno on major corridors such as El Camino Real.

San Bruno's specific concerns regarding SB 50 are as follows:

- SB 50 disrespects local values and penalizes communities that have adopted thoughtful approaches to increasing housing supply
 - The City of San Bruno is not a NIMBY community. San Bruno has adopted long-range planning documents including a General Plan and Specific Plans, as well as voter-approved ballot measures that allow dense residential development near transit stations.

San Bruno adopted a Transit Corridors Plan (TCP) in 2013 and the City voters approved Measure N in November 2014, which removed height and density barriers in a 155-acre area. The amended height restrictions allow an additional 40 feet and 4 stories (up to a maximum of 90 feet and 7 stories in some areas). In addition, the measure eliminated all density maximums for residential uses to allow for new dense housing development around transit centers *–which aligns to the core goal of SB 50.*

San Bruno's TCP provides a blueprint for the transformation of the City's downtown and adjacent nearby commercial corridors into a walkable, mixed-use district capitalizing on proximity and access to transit.

The TCP is an implementation measure for the City's "General Plan 2025", which was adopted in 2009. Extensive community engagement was made in the development of this plan and the ballot measure, including two advisory committees, resident surveys, community workshops, and numerous public meetings as well as Planning Commission and City Council study sessions. This meaningful, collaborative local process shows that San Bruno is a community that supports new residential growth near transit.

The TCP goals, polices, development standards and design guidelines are founded on a vision for the future articulated by the San Bruno community and stakeholders. This community vision aspires to an economically vital downtown which is an exciting destination for workers, residents and visitors; more dense mix of commercial and residential uses with high quality architecture to attract and sustain activities throughout the day and night; and a welcoming pedestrian oriented environment with new plazas and streetscape improvements. The overall goal is to facilitate new development that relies less on the automobile and promotes travel by transit, bicycling, and walking.

San Bruno's development regulations and our Transit Corridors Plan are tailored to the needs and character of the community, while simultaneously providing greater density along major bus routes and near the San Bruno BART and Caltrain stations. SB 50 disrespects these local standards and the lengthy community engagement processes that created them.

We hope that you give consideration to modifying SB 50 to exempt localities that adopt Transit Corridor Plans, which increase height and density near transit centers, from any additional statewide requirements. This modification will reward communities that have undergone thoughtful planning processes with their residents and businesses to accommodate housing growth.

SB 50 strips local control with respect to parking

While SB 50 attempts to preserve local control with respect to environmental review, local labor standards, local fees, community engagement processes and architectural review, it strips a local government's ability to determine the appropriate parking standards for their community. In San Bruno, parking is often the most contentious and problematic issue for neighboring residents when new development is proposed.

San Bruno's parking standards are important to ensure that new development does not create undue impacts on existing neighborhoods. The current version of SB 50 appears to prevent San Bruno from establishing minimum parking standards for projects within ¼ mile and ½ mile of our Caltrain station. This prohibition erodes the City's ability to regulate new developments and obtain mitigations for parking issues, which are ever-present today (and San Bruno is just in the early stages of build out and implementation of the Transit Corridors Plan).

Nearly all of the developable area for high density housing near San Bruno's transit centers borders low density residential neighborhoods. These neighborhoods are comprised of predominately single family homes and 2-6 unit apartment buildings (often 1-2 stories in height). Additionally, many of these existing neighborhoods have significant parking challenges. The City of San Bruno is currently undergoing an effort to explore solutions for a built environment from the mid-1900's that does not accommodate today's reality –in which transit is not an option for everyone and vehicle ownership rates are higher than the existing neighborhood streets and infrastructure can handle. This is the precise problem that should be avoided by SB 50. <u>The solution to increasing transit usage and reducing vehicle ownership does not begin by preventing cities from setting reasonable parking standards for today's reality in their existing neighborhoods.</u>

It is also important to note that the property owners and developers that approach cities to entitle and construct high density rental housing projects are frequently <u>not</u> long-term holders or operators of the properties. They are investors who may (and often) sell the project after it is entitled or upon completion of construction and occupancy. Given the significant demand for housing on the Peninsula, our community will be negatively impacted if new developments do not include sufficient parking. Without locally tailored parking regulations that can be waived/amended based on unique project by project circumstances, our community and others across the State will suffer.

- SB 50 erodes the ability of local governments to obtain design changes and community benefits to mitigate negative impacts
 - At present, developers already receive incentives/concessions from local standards under the State Density Bonus Law when they provide land or build affordable housing, senior housing, or include specified levels of affordable childcare facilities within proposed projects. Additional waivers of local development standards will erode the ability of local legislative bodies to obtain design changes and community benefits that mitigate impacts of new high density housing projects on existing residents and surrounding neighborhoods. For example, San Bruno's standards with regard to set-backs from property lines and step-backs from low density residential dwellings (single family homes) are critical design elements that must be considered on a project-by-project basis. Allowing developers to waive these standards will negatively impact the health and well-being of existing neighborhoods.

In closing, San Bruno appreciates your willingness to meet with the C/CAG Legislative Committee and applauds your passion and willingness to tackle the housing crisis that is affecting Californians in the Bay Area and across the State. Unfortunately, as written, we cannot support the proposed legislation. In its current form, SB50 will harm San Bruno and other communities across the State. We strongly encourage you to consider the issues that we have raised in this letter and avoid penalizing localities that have adopted Transit Corridor Plans, which increase height and density near transit centers, from any new statewide requirements. San Bruno looks forward to working collaboratively with you and other State legislators on strategies and funding mechanisms to enhance public transit and housing further, in ways to ensure that local issues are thoughtfully considered and incorporated during the development process.

Sincerely,

lien E. medina

Rico E. Medina, Mayor on behalf of the San Bruno City Council Irene O'Connell, Vice-Mayor Laura Davis Marty Medina Michael Salazar

Draft Housing Legislation – Local Jurisdiction Responses

(as of May 8, 2019)

San Mateo – Letter of Opposition to SB50 dated April 17, 2019

- One-size-fits-all approach disregards local conditions and usurps local land use decision making
- SB50 is not driven by local data. Doesn't account for the amount of housing actually constructed (and on the horizon) in individual jurisdictions.
- San Mateo has long been a leader in TOD.
- No consideration for local physical constraints (ex. topography, water, open space designations)
- Upzoning land around transit will increase land costs without necessarily increasing housing production due to the effects of speculation
- Disregards the additional fiscal impact on cities infrastructure and additional public services
- Doesn't recognize San Mateo's existing notable efforts to prioritize affordable housing production
- California already has a legally mandated process for every city to establish its housing policy and community vision the General Plan which allows extensive community input in how the goals are achieved locally.
- Individual communities need to be engaged in planning at the local level.

San Carlos – Letter citing impacts of SB50 to the City dated April 22, 2019

- City has worked to diligently to address housing needs, and is on target to reach the total number of units identified by the RHNA by the end of the cycle
- City has implemented many strategies to facilitate/incentivize BMRs: flexible development strategies; parking reductions; public education campaigns; 15% inclusionary zoning reqs.; reduced ADU standards; commercial linkage fee; active partnerships with affordable housing developers.
- Bill would upend existing planning processes by removing input from community members
- Suggested consideration of the following as amendments are discussed:
 - Include a higher BMR% requirement, and identify state funding sources to support
 - State mandates such as this undermine current efforts to garner neighborhood support for additional affordable housing projects outside of the SB50 area by negatively impacting community opinion, turning supporters into adversaries
 - Long-established single family neighborhoods will be detrimentally impacted. Suggest limiting to multi-family and mixed use zones.
 - Bill should provide for height transitions between single family homes and high density housing.

 Required number of incentives and concessions undermines community desires for urban design best practices. Either reduce the number of incentives or otherwise rework to ensure quality design is not sacrificed.

San Bruno – Statement of Concern about SB50 dated April 24, 2019

- SB50 disrespects local values and penalizes communities that have adopted thoughtful approaches to increasing housing supply. City already has a Transit Corridor Plan, developed with in a meaningful, collaborative local process, to allow for dense housing development near transit stations. SB50 disrespects the local standards adopted through a lengthy community engagement process.
 - Recommend modifying legislation to exempt localities that adopt Transit Corridor Plans, which increase height and density near transit centers, from any additional statewide requirements.
- SB50 strips local control with respect to parking. The solution to increasing transit usage and reducing vehicle ownership does not begin by preventing cities from setting reasonable parking standards for today's reality in their existing neighborhoods.
- SB50 erodes the ability of local governments to obtain design changes and community benefits to mitigate negative impacts. Developers already receive incentives/concessions under State Density Bonus Law. Additional waivers will erode the ability of cities to obtain quality design and other community benefits that mitigate a project's impacts on the neighborhood.

Hillsborough – Letter on CASA Compact dated April 1, 2019

- Cites Hillborough's notable accomplishments: issued permits for ~90% of RHNA allocation for current cycle; hosted community meetings to educate about HIP shared housing, ADUs and other housing programs; relaxed ADU standards and prohibited use as short-term rentals;
- Based on these successful efforts, additional legislation (which would remove local control/community based solutions) is not needed for goals to be achieved
- San Mateo County as a whole has made substantial strides to narrow the jobs/housing imbalance
- Concerns with CASA:
 - Usurps local zoning standards
 - No San Mateo County involvement on Compact committees
 - Emphasis on sticks rather than carrots
 - Reliance on new taxes
 - Potential inequities in property tax allocations
 - Generic approach jeopardizes the individuality and diversity of California cities



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0480 V | ersion: 1 | Name: | |
|----------------|--|----------------|-------------------|---|
| Туре: | Assembly Bill | | Status: | Commission Approval |
| File created: | 4/30/2019 | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | Final action: | - |
| Title: | AB 1487 (Chiu): H | Housing Alliar | nce for the Bay A | rea |
| | AB 1487 (Chiu) would establish the Housing Alliance for the Bay Area (HABA) to increase funding for affordable housing in the nine-county region. The bill authorizes HABA to place on the ballot a series of revenue raising measures, subject to certain return to source provisions, to provide funding and technical assistance to local jurisdictions and affordable housing developers to help produce and preserve affordable housing and pay for tenant protection services. The bill provides that HABA would have the authority to buy and lease land for affordable housing purposes, but not the ability to purchase land by eminent domain or regulate or enforce local land use decisions. | | | |
| Sponsors: | | | | |
| Indexes: | | | | |
| Code sections: | | | | |
| Attachments: | <u>7c3_AB-1487_Ch</u> | <u>niu.pdf</u> | | |
| Date | Ver. Action By | | Act | ion Result |

Subject:

AB 1487 (Chiu): Housing Alliance for the Bay Area

AB 1487 (Chiu) would establish the Housing Alliance for the Bay Area (HABA) to increase funding for affordable housing in the nine-county region. The bill authorizes HABA to place on the ballot a series of revenue raising measures, subject to certain return to source provisions, to provide funding and technical assistance to local jurisdictions and affordable housing developers to help produce and preserve affordable housing and pay for tenant protection services. The bill provides that HABA would have the authority to buy and lease land for affordable housing purposes, but not the ability to purchase land by eminent domain or regulate or enforce local land use decisions.

Presenter:

Rebecca Long

Recommended Action:

Seek Amendments / ABAG Executive Board Approval Seek Amendments / MTC Commission Approval

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

May 10, 2019

Agenda Item 7c3

AB 1487 (Chiu): Housing Alliance for the Bay Area

| Subject: | AB 1487 (Chiu) would establish the Housing Alliance for the Bay Area (HABA) to increase funding for affordable housing in the nine-county region. The bill authorizes HABA to place on the ballot a series of revenue raising measures, subject to certain return to source provisions, to provide funding and technical assistance to local jurisdictions and affordable housing developers to help produce and preserve affordable housing and pay for tenant protection services. The bill provides that HABA would have the authority to buy and lease land for affordable housing purposes, but not the ability to purchase land by eminent domain or regulate or enforce local land use decisions. |
|-------------|--|
| Background: | Plan Bay Area 2040's Action Plan (adopted jointly by MTC and ABAG in July 2017) called for the creation of regional self-help funding for affordable housing. This position was later incorporated into the Committee to House the Bay Area (CASA) Compact as Element #10. This bill is co-sponsored by the Nonprofit Housing Association of Northern California (NPH) and Enterprise Community Partners, Inc. and calls for the creation of a regional housing entity to raise funds and support local jurisdictions to help achieve the region's bold housing goals. |
| Discussion: | Funding The primary stated purpose of AB 1487 is to raise regional funding for affordable housing to help close an estimated annual funding shortfall of \$2.5 billion to address the region's affordable housing production, preservation and tenant protection needs. Unlike transportation, which has long had access to substantial regional funding through bridge tolls and federal and state funds distributed at the regional level, affordable housing is strictly reliant upon private, local, state and federal funding. A regional funding source would be immensely valuable to help close the funding gap on affordable housing projects that are otherwise struggling to cobble together enough funds across multiple sources, especially for those jurisdictions that have less resources available at the local level. |
| | Key Concerns From a policy perspective, staff agrees that establishing a regional funding source for affordable housing production and protection-related needs is likely a necessity if we are to make serious progress on the housing crisis. Opportunities to build or preserve affordable housing projects are unpredictable, making a more robust regional funding source a useful option, instead of every jurisdiction needing to close the funding gap by levying taxes locally that might not be put to use for many months or even years. |
| | However, in our various meetings with local elected officials over the last few months we heard concerns about the use of a sales tax or parcel tax for a regional housing program due to concerns this might supplant <i>future</i> revenue raising opportunities at the local level. Concerns were also frequently raised regarding the establishment of another regional agency, which may duplicate authorities of existing regional agencies, and/or local governments. While staff does not have a |

recommendation on these points per se, we are raising them for discussion given their importance. In addition to those observations, we outline some significant practical and operational concerns we have with the bill.

Start-Up Funding

The bill requires that MTC staff the HABA but does not provide any start-up or sustaining funding associated with imposition of this new role. While the bill authorizes up to 3 percent of voter-approved funds to be reserved for administrative costs, this doesn't address how the agency is to absorb what would be substantial near-term responsibilities before revenues are collected, or address what should occur if any or all contemplated voter-approved measures fail. In addition, the bill requires that either ABAG or MTC reimburse the counties for the cost of placing the measure on the ballot. The RM 3 election cost MTC \$3.2 million in direct charges from county election offices. Neither agency has funding available (or even eligible) to cover this cost if an election fails.

As such, we recommend amendments to ensure that no new responsibilities are assigned to MTC or ABAG without a) providing a guaranteed source of support funding that is not dependent upon voter approval; and b) including a provision for the re-evaluation and potential dissolution of HABA in the event that the compendium of funds approved by the voters are determined to fall substantially short of the amounts needed to meaningfully address the housing crisis across the region.

Governing Board

The current version of the bill has removed all references to ABAG and MTC as the foundational membership for the HABA governing board, to provide for further discussion of this critical question at the regional level. Nonetheless, we remain concerned that the bill could require MTC staff to serve a new and separate board, potentially placing staff in a conflicted situation. While we have no specific recommendation on the governance question, we believe it is critical that we communicate to the author and bill supporters that neither ABAG nor MTC can support an outcome where MTC staff are assigned to directly report to a newly structured board.

Recommendation: Seek Amendments

Bill Positions: See attached

Attachments: Attachment A: Bill Positions

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Official Positions on AB 1487 (Chiu)

Support

Bay Area Council Bay Area Housing Advocacy Coalition Burbank Housing Development Corporation California Community Builders California YIMBY Chan Zuckerberg Initiative Enterprise Community Partners, Inc. Greenbelt Alliance Habitat For Humanity East Bay/Silicon Valley Non-Profit Housing Association Of Northern California (Nph) Pico California Silicon Valley At Home (Sv@Home) Techequity Collaborative TMG Partners Urban Displacement Project, Uc-Berkeley

Support If Amended

Community Legal Services In East Palo Alto Genesis Monument Impact City of Oakland Public Advocates Inc. San Francisco Foundation City of Vallejo

Oppose

California Taxpayers Association Howard Jarvis Taxpayers Association

Oppose Unless Amended

Alameda County Transportation Commission



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0509 Version: 1 | Name: | |
|----------------|----------------------------|-------------------|---|
| Туре: | Assembly Bill | Status: | Commission Approval |
| File created: | 5/2/2019 | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | Final action: | - |
| Title: | AB 11 (Chiu): Community Re | development Law | of 2019 |
| Sponsors: | | e housing and otl | option to form an entity that can use "tax-increment ner local infrastructure priorities, subject to approval of |
| Indexes: | | | |
| | | | |
| Code sections: | | | |
| Attachments: | 7c4_AB-11_Chiu_rev.pdf | | |
| Date | Ver. Action By | Ac | tion Result |

Subject:

AB 11 (Chiu): Community Redevelopment Law of 2019

AB 11 would restore to cities and counties the option to form an entity that can use "tax-increment financing" to pay for affordable housing and other local infrastructure priorities, subject to approval of the Strategic Growth Council.

Presenter:

Rebecca Long

Recommended Action:

Support and Seek Amendments / ABAG Executive Board Approval Support and Seek Amendments / MTC Commission Approval

| Metropolitan 7 | Fransportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and | | | | |
|----------------|---|--|--|--|--|
| Mar. 10, 2010 | ABAG Legislation Committee | | | | |
| May 10, 2019 | Agenda Item 7c4 | | | | |
| Subject: | AB 11 (Chiu): Community Redevelopment Law of 2019 AB 11 would restore to cities and counties the option to form an entity that can use "tax-increment financing" to pay for affordable housing and other local infrastructure priorities, subject to approval of the Strategic Growth Council. | | | | |
| Background: | Prior to the dissolution of redevelopment in 2011 in the midst of a major state budget shortfall, redevelopment contributed approximately \$200 million per year towards affordable housing in the Bay Area. Item 1B of the 2019 Joint Advocacy Program includes support for restoring redevelopment. ABAG and MTC have already endorsed an alternate approach, SB 5 (Beall/McGuire) which proposes to eliminate the voter-approval requirement for bond issuance for enhanced infrastructure financing districts, which can use limited tax- increment financing. | | | | |
| Discussion: | AB 11 allows a city or a county or two or more cities acting jointly to form an Affordable Housing and Infrastructure Agency (AHIA) to use tax-increment financing to fund a variety of affordable housing and infrastructure projects, including any project consistent with a Sustainable Communities Strategy (e.g. Plan Bay Area 2040). Unlike EIFDs, an AHIA would be allowed to use the school portion of property tax, significantly increasing the revenue available. | | | | |
| | Eligible Expenses Are Broad, but Miss Some Key Needs The bill requires that at least 30 percent of funds be used for affordable housing and limits other projects to the following: | | | | |
| | Transit priority projects located in a transit priority area Any project to implement an approved Sustainable Communities Strategy Roadway improvements, parking facilities, and transit facilities Sewage treatment and water reclamation plants and interceptor pipes Water collection and treatment facilities Flood control levees and dams, retention basins, and drainage channels Child care facilities Libraries Parks, recreational facilities, and open space Solid waste-related transfer and disposal facilities Brownfield restoration and other environmental mitigation Port or harbor infrastructure | | | | |

While this list is quite comprehensive, notably absent are references to flood control, sea walls or other infrastructure to mitigate for sea level rise, including green infrastructure, such as marshland restoration. In addition, members of the Housing Legislative Working Group noted it would be useful to add pipe replacement, fire resilience and disaster recovery as additional eligible expenses. We recommend we pursue an amendment to add these and welcome other suggestions.

Bill Seeks to Hold Schools Harmless and Limit State's Fiscal Impact The bill aims to ensure that schools are held harmless by the property tax diversion by requiring the Director of Finance to adjust the percentage of General Fund revenues appropriated to school districts each year in such a manner as it has no fiscal impact on K-12 education and community colleges. The bill also sets an as-yet undetermined cap on the annual amount of debt that may be issued and AHIAs that may be formed in order to control the total fiscal impact to the state given its financial obligations to backfill for the reduced property taxes available for education.

Eliminate Eminent Domain Provision

The Housing Legislative Working Group, while generally supportive of bringing back tax-increment financing, raised concerns about whether eminent domain is a necessary component of a renewed redevelopment program in California, especially if the focus is on affordable housing. In addition, a number of committee members raised questions about the proposed governance of an AHIA. Specific concerns related to the presence of public members on the board and the limited representation by the city or cities that choose to form the agency since every affected taxing agency is given a seat on the board. Given the history of abuse of eminent domain and the current governance structure for the AHIA, we recommend pursuing an amendment to remove the eminent domain provision from the bill and provide for term limits for the public members of the AHIA.

Recommendation: Support and Seek Amendments

Bill Positions: See attached

Attachments: Attachment A: Bill Positions

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AB 11 Official Positions Updated 5/9/19

Support

Alameda County Transportation Commission Bay Area Housing Advocacy Coalition California Apartment Association California Association of Realtors San Francisco Housing Action Coalition LeadingAge California

Opposition

California Teachers Association Fieldstead and Company. Howard Jarvis Taxpayers Association Institute for Justice Pacific Legal Foundation



Subject:

SB 13 (Wieckowski): Accessory Dwelling Units

SB 13 would revise ADU law to require that a local government allow studio and one-bedroom ADUs of at least 850 square feet and two-bedroom or more ADUs of up to 1,000 square feet, and would prohibit ADU owner-occupancy requirements. The bill would limit impact fees imposed by local governments, special districts or water corporations to 25 percent of the impact fees otherwise charged for a new single -family dwelling for ADUs 750 square feet or greater and would waive impact fees for ADUs less than 750 square feet. The bill would also limit to 60 days the time a local agency has to issue an ADU permit after receiving an application and create a 10-yeary amnesty program to incentivize owners of existing unpermitted ADUs to obtain the permits and inspections necessary to legalize the units.

Recommended Action:

Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval

Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and ABAG Legislation Committee

May 10, 2019 Agenda Item 7c5 SB 13 (Wieckowski): Accessory Dwelling Units Subject: SB 13 would revise ADU law to require that a local government allow studio and one-bedroom ADUs of at least 850 square feet and two-bedroom or more ADUs of up to 1.000 square feet, and would prohibit ADU owner-occupancy requirements. The bill would limit impact fees imposed by local governments, special districts or water corporations to 25 percent of the impact fees otherwise charged for a new single-family dwelling for ADUs 750 square feet or greater and would waive impact fees for ADUs less than 750 square feet. The bill would also limit to 60 days the time a local agency has to issue an ADU permit after receiving an application and create a 10-yeary amnesty program to incentivize owners of existing unpermitted ADUs to obtain the permits and inspections necessary to legalize the units. **Background:** Many Bay Area local governments have taken steps to actively incentivize ADUs and over the past three years a number of bills have been enacted to limit zoning restrictions and expedite ADU approvals. As a result, the number of ADU permit applications received has surged throughout the region, growing 14-fold in San Francisco and more than seven-fold in Oakland between 2015 and 2017. However, according to the Terner Center for Housing Innovation at UC Berkeley, there are still a number of barriers to ADU development, including cost and challenges associated with securing financing - including issues associated with owner-occupancy; banks are less willing to offer a loan to a homeowner to build an ADU if it has an owner-occupancy requirement because the rental income is more limited and in the event of a foreclosure both units cannot be rented.¹ Attachment A compares SB 13 provisions with current law and with AB 68 (Ting), another ADU bill on today's agenda. **Discussion:** As the Bay Area's housing crisis deepens, it is becoming increasingly important to consider innovative strategies to increase the Bay Area's housing supply. ADUs can be an important part of the solution, particularly in neighborhoods that are predominantly zoned for and occupied by single-family homes. Statewide single-family detached units make up over 56 percent of the overall housing stock according to the Terner Center. ADUs are inherently more low-impact and energy-efficient than large-scale construction and generally more affordable than other forms of housing. A 2012 study of the East Bay found that the average ADU was advertised at a rental rate that made it affordable to a household earning 62 percent of the area median income. This type of development is consistent with the Bay Area's shared climate and equity goals, as identified in Plan Bay Area 2040.

¹ <u>https://www.sightline.org/2013/03/15/adus-and-donts/</u>

Given the potential for ADUs to be a part of the solution to the Bay Area's ongoing housing crisis, we support the policy of removing barriers to ADU production. However, we have concerns that the bill may have the unintended consequence of undermining the inherent affordability of ADUs and we believe it is important that localities have adequate tools, including balanced impact fees and owner-occupancy requirements, to address community impacts related to new housing. We believe the amendments bulleted below and detailed in Attachment B would strengthen the bill.

- **Owner-Occupancy** –*Remove the provision prohibiting localities from imposing owner-occupancy requirements on ADUs.*
- **Impact Fees** –*Reduce the impact fee waiver threshold from 750 square feet to 500 square feet, consistent with existing school development fee exemption.*

Staff recognizes that over the past three years there have been successive changes in ADU laws of which Bay Area jurisdictions have had varying capacity to implement. Additional planning resources such as those provided for in SB 2 (Atkins, 2017) and proposed by the Governor in the 2019 budget could support implementation efforts.

Recommendation: Support if Amended

Bill Positions: See Attachment C

Attachments: Attachment A: AB 68 (Ting) and SB 13 (Wieckowski) Comparison Matrix Attachment B: SB 13 Policy Considerations and Amendment Recommendations Attachment C: Bill Positions

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| AB 68 (Ting) and SB 13 (Wieckowski) Comparison Matrix |
|---|
| As of May 3, 2019 |

| | Current Law | AB 68 (Ting) | SB 13 (Wieckowski) |
|------------------------------------|--|---|--|
| Bill Status | N/A | Assembly Appropriations | Senate Appropriations |
| Minimum Lot size | Locally established | Prohibits minimum lot size standards | No change |
| Setback requirements | Five Feet | Reduces setback requirements to four feet | No change |
| Owner- Occupancy Requirement | Allows a local agency to require that an applicant be an owner- occupant | No change | Prohibits owner occupancy requirement |
| Application approvals | Requires ministerial approval of an ADU permit within 120 days | Reduces to 60 days from receipt of a completed application | Reduces to 60 days and deems permit approved if not acted upon within that period |
| State Oversight | Requires local agencies submit ADU ordinances to HCD within 60 days of adoption | Requires local agencies to submit ADU ordinances to HCD and authorizes HCD to make findings of non- compliance, require correction and work with Attorney General on enforcement | Requires local agencies to submit ADU ordinances to HCD and authorizes HCD to make findings of non-compliance, require correction and work with Attorney General on enforcement |
| Size Requirements | Requires ADU ordinance that allows an "efficiency unit" (250 – 450 square feet (sf)) | Requires an ADU ordinance that establishes minimum or maximum size to allow an ADU of at least 800 sf and 16-feet high | Prohibits an ADU ordinance that does not allow an ADU of at least 850 sf (applies to studios and one-bedroom)/1,000 sf (applies more than one bedroom ADUs) |
| Zoning | Allowed in areas zoned to allow single family or multifamily dwelling residential use | Removes restriction to residential zones and instead applies to residential and mixed-use zones; Allows for one ADU and one JADU per proposed or existing single family residential unit and two ADUs per proposed or existing multifamily lot | Removes zoning restriction requiring only that the lot "includes a single family dwelling that exists or is proposed on the lot" |

| | Current Law | AB 68 (Ting) | SB 13 (Wieckowski) |
|---------------------------------|--|---|--|
| Impact fees | Provides that an ADU shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service; Other fees subject to Fee Mitigation Act | No change | Provides for a tiered structure of fees based on size of ADU |
| RHNA | Permitted ADUs count toward RHNA numbers; no allowance for ADUs in site inventories | No change | Provides for an amnesty program to permit un-permitted ADUs; Authorizes a local agency to count ADUs for purpose of identifying adequate sites for its housing element |
| Parking | Restricts the parking standards a locality may impose on an ADU, including prohibiting parking requirements on ADUs located within ½ mile of public transit | Newly prohibits local agencies from requiring replacement parking for spaces that are lost due to construction of ADU (e.g. garage conversion) | Same as AB 68 |
| Building Standard Amnesty | No amnesty | No change | Provides for an amnesty program to permit un-permitted ADUs that do not pose a health and safety risk |

Source: Senate Housing Committee Analysis of SB 13, revised and augmented by MTC/ABAG staff

SB 13 Policy Considerations and Amendment Recommendations (italicized)

Owner Occupancy

Staff is concerned that the SB 13 provision prohibiting owner-occupancy requirements could have unintended consequences related to ADU affordability. An owner-occupancy requirement can serve as a check on institutional investors or speculators purchasing single family homes at a premium with the intention of renting an ADU at any price the market will bear. Some jurisdictions, including the City of Santa Rosa, waive owner occupancy requirements in exchange for affordability restrictions.

Staff proposes SB 13 be amended to remove the provision prohibiting localities from imposing owner occupancy requirements on ADUs.

Impact Fees

Impact fees are often cited as barriers to ADU development. In order to address this, a number of Bay Area jurisdictions have already taken steps to limit or eliminate impact fees associated with ADUs. However, fees range widely throughout the state. A 2018 analysis from the Senate Transportation and Housing Committee found that local development impact fees for ADUs range from anywhere between \$5,000 and \$60,000.

ADUs typically have a more modest impact on a neighborhood's infrastructure and services than large-scale developments and as such, subjecting ADUs to substantially similar fees makes little policy sense. This is reflected in the current requirement that school districts waive impact fees for new residential developments of 500 square feet or less. Of note, AB 68 and SB 13 would increase the minimum size of an allowable ADU to 800 square feet or more. Larger ADUs would correspond with greater infrastructure impacts.

In considering a similar bill last session (SB 831 (Wieckowski, 2018)) that would have eliminated ADU impact fees, ABAG provided that ADU fees should not be so cost prohibitive as to limit building but that localities should retain the ability to charge reasonable fees to pay for community impacts associated with new housing. The tiered fee schedule proposed by SB 13 is more consistent with the 2018 recommendation, however, SB 13 would still waive impact fees for ADUs up to 750 square feet.

Staff proposes amendments to SB 13 to reduce the impact fee waiver threshold from 750 square feet to 500 square feet, consistent with existing school development fee exemption.

SB 13 (Wieckowski) Positions

Support

Bay Area Council California Apartment Association California Chamber of Commerce Eden Housing LA-MAS PrefabADU Silicon Valley at Home (SV@Home) Terner Center for Housing Innovation at the University of California, Berkeley

Oppose (unless amended)

American Planning Association, California Chapter California Association of Counties League of California Cities Urban Association of Counties



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0482 | Version: 1 | Name: | | |
|----------------|---------------------|------------------------------------|--|---|-------------------|
| Туре: | Assembly Bill | | Status: | Commission Approval | |
| File created: | 4/30/2019 | | In control: | Joint MTC Legislation Commit Legislation Committee | tee and ABAG |
| On agenda: | 5/10/2019 | | Final action: | | |
| Title: | AB 1486 (Ting) |): Surplus Land | s Act Expansion | and Revision | |
| | prioritize afford | lable housing, a he agency's us | s well as parks a e - and other sta | SLA) - the state law that requires I nd open space, when disposing c e laws related to making surplus | of land no longer |
| Sponsors: | | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | <u>7c6_AB-1486_</u> | <u>Ting.pdf</u> | | | |
| Date | Ver. Action By | | Ac | tion | Result |

Subject:

AB 1486 (Ting): Surplus Lands Act Expansion and Revision

AB 1486 would revise the Surplus Lands Act (SLA) - the state law that requires local agencies to prioritize affordable housing, as well as parks and open space, when disposing of land no longer necessary for the agency's use - and other state laws related to making surplus public land available for affordable housing development.

Presenter: Georgia Gann Dohrmann

Recommended Action:

Support if Amended / ABAG Executive Board Approval Support if Amended / MTC Commission Approval

| Metropolitan Transportation Commission and the Association of Bay Area Governments Joint MTC Legislation Committee and | | | | | |
|---|--|--|--|--|--|
| ABAG Legislation Committee | | | | | |
| May 10, 2019 | Agenda Item 7c6 | | | | |
| | AB 1486 (Ting): Surplus Lands Act Expansion and Revision | | | | |
| Subject: | AB 1486 would revise the Surplus Lands Act (SLA) – the state law that requires local agencies to prioritize affordable housing, as well as parks and open space, when disposing of land no longer necessary for the agency's use – and other state laws related to making surplus public land available for affordable housing development. | | | | |
| Background: | Enacted in 1968 and revised in 2014, the SLA requires that prior to disposing of surplus land, local agencies—including cities, counties and districts—give right of first refusal to other local governments or organizations that agree to use sites for low- and moderate-income housing developments or parks and open space. Top priority is given to affordable housing development proposals with at least 25 percent of the units reserved for families earning 80 percent area median income or below. Specifically, local agencies are required to give notice of available surplus property to relevant public entities and interested affordable housing developers and if a preferred entity expresses interest within 60 days, the parties must enter into good faith negotiations. If no agreement on sales price or lease terms is reached after 90 days, the local agency may proceed with disposing of the land through other avenues. The California Department of General Services is similarly required to prioritize affordable housing development when disposing of land no longer necessary for the state's use. | | | | |
| | AB 1486 would revise the Surplus Lands Act and related law as follows: | | | | |
| | • Expand the scope of the SLA so that the provisions apply to parcels owned by successors to redevelopment agencies and provide that land would be presumed to be "surplus" when a local agency takes an action to dispose of it. | | | | |
| | • Revise and clarify surplus land disposal process requirements. | | | | |
| | • Permit that 100 percent affordable housing be allowed on surplus land, regardless of local zoning; Provision would not apply to exempt surplus land (e.g., protected open space) or land ineligible for affordable housing financing programs and the project would remain subject to environmental review. | | | | |
| | • Require that the Department of Housing and Community Development (HCD) create and maintain a statewide inventory of local surplus public lands sourced from local land inventories. | | | | |
| | • Expand HCD's enforcement mandate to include SLA compliance. | | | | |
| | | | | | |

| Issues: | It is widely recognized that one of the barriers to low-income and workforce housing production in the Bay Area is a lack of available and affordable land. Public lands have been identified as an opportunity to address this issue. For example, a 2018 MTC Workforce Housing Action Plan memorandum identified nearly 700 acres of Bay Area public lands suitable for housing near transit estimated to have capacity for roughly 35,000 housing units (see Attachment A). ¹ |
|------------------------|--|
| | AB 1486 would expand the scope of public lands required to be considered for affordable housing, making it easier for local agencies and organizations seeking to develop affordable housing to identify land purchase opportunities. However, staff has a number of concerns that we believe should be addressed, detailed below: |
| | • <i>Negotiations Scope:</i> Narrowing negotiations to sales and lease price, as proposed by AB 1486, would limit a local agency's ability to incorporate other important considerations such as a project's financial viability into the negotiation. Staff recommends the bill be amended to ensure that these and other valid topics are not prohibited in the scope of negotiations. |
| | • <i>Redevelopment Agency Successors:</i> The Housing Legislative Working Group (HLWG) raised that first offering to affordable housing developers parcels owned by successors to redevelopment agencies may impede a successor agency from disposing of land consistent with ABX1 26 (2011), including the mandate to pay for existing obligations to the various taxing agencies in the redevelopment area. Staff recommends working with the author to ensure that the bill would not limit successor agency's ability to comply with existing asset disposal requirements. |
| | • 100% Affordable Housing, Notwithstanding Local Zoning: The HLWG expressed concerns that AB 1486 might result in development in areas that are inappropriate for housing. Staff recommends that the provision permitting residential use for 100 percent affordable housing developments be amended to limit the allowance to those projects that have received local subsidies, and therefore would not be in locations deemed inappropriate. |
| Recommendation: | Support if Amended |
| Bill Positions: | See Attachment B |
| Attachments: | Attachment A: Attachment A: Public Land Suitable for Housing Near Transit Attachment B: Bill Positions |

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Therese W. McMillan

¹ MTC in 2016 took steps to increase awareness of the SLA by conditioning certain One Bay Area Grant (OBAG) 2 eligibility on the adoption of a resolution confirming SLA compliance. As of December 2017, all general law cities and counties that were recommended for OBAG 2 county program funding had met this requirement.

| Public Land by County | | | | |
|-----------------------|---------|-------|--|--|
| County | Parcels | Acres | | |
| Alameda | 153 | 248 | | |
| Contra Costa | 121 | 103 | | |
| Marin | 2 | 6 | | |
| Napa | 1 | 1 | | |
| San Francisco | 21 | 23 | | |
| San Mateo | 62 | 62 | | |
| Santa Clara | 84 | 234 | | |
| Solano | 20 | 11 | | |
| Sonoma | 6 | 11 | | |
| TOTAL* | 470 | 698 | | |

Public Land Suitable for Housing Near Transit

| Top 10 Public Landowners | | | | | |
|---|---------|-------|--|--|--|
| Landowner | Parcels | Acres | | | |
| Bay Area Rapid Transit District (BART) | 91 | 229 | | | |
| Santa Clara Valley Transportation Authority (VTA) | 26 | 178 | | | |
| State of California | 17 | 42 | | | |
| City/County of San Francisco | 18 | 26 | | | |
| San Mateo County Transit District (SamTrans) | 11 | 18 | | | |
| Union City Community Redevelopment | 6 | 15 | | | |
| County of Santa Clara | 7 | 15 | | | |
| City of Oakland | 19 | 10 | | | |
| City of San Jose | 5 | 8 | | | |
| Suisun City | 17 | 8 | | | |
| TOTAL* | 217 | 548 | | | |

*Totals may not sum due to rounding Source: MTC Workforce Housing Action Plan

Bill Positions on AB 1486 (Ting)

Support

NonProfit Housing Association of Northern California (Sponsor) Bay Area Housing Advocacy Coalition California Apartment Association Greenbelt Alliance Habitat for Humanity California Hamilton Families Oakland Tenant Union Southern California Association of NonProfit Housing Tenderloin Neighborhood Development Corporation Transform

Oppose (Unless Amended)

Association of California Healthcare Districts Association of California Water Agencies California Association of Sanitation Agencies California Land Title Association California Municipal Utilities association California Special Districts Association California State Association of Counties Desert Recreation Districts Irvine Ranch Water District Mesa Water District Orange County Water District Rural County Representatives of California Santa Margarita Water District Stege Sanitary District Urban Counties of California



Metropolitan Transportation Commission

Legislation Details (With Text)

| File #: | 19-0484 | Version: | 1 | Name: | |
|--------------------------------|---------------|------------|---------|-------------------|---|
| Туре: | Report | | | Status: | Committee Approval |
| File created: | 4/30/2019 | | | In control: | Joint MTC Legislation Committee and ABAG Legislation Committee |
| On agenda: | 5/10/2019 | | | Final action: | - |
| Title: | Ad Hoc Com | mittee | | | |
| Sponsors: | necessary, to | review any | bills v | vhere substantive | f MTC the authority to create an Ad Hoc committee, if e disagreement exists, with the objective of providing cutive Board and MTC Commission. |
| Indexes: | | | | | |
| | | | | | |
| Code sections: | | | | | |
| Code sections: Attachments: | | | | | |

Subject:

Ad Hoc Committee

Delegate to the President of ABAG and Chair of MTC the authority to create an Ad Hoc committee, if necessary, to review any bills where substantive disagreement exists, with the objective of providing alternative recommendations to the ABAG Executive Board and MTC Commission.

Recommended Action:

Approval / ABAG Legislation Committee Approval / MTC Legislation Committee