



CASA Compact – Draft 1 Presentation

Technical Committee

September 19, 2018

Co-Chairs Vision and Approach

“Our goal is to reach consensus on some big picture responses that will move the needle on housing affordability in the Bay Area”

“We must compromise, break down silos, and set aside differences for the greater good of the Bay Area”

“The Bay Area is in a state of great peril today; CASA is the best chance to fix this crisis”

“Every sector, every community participates and benefits”



Our Direction Forward

June 2017:

CASA Kick Off Meeting

June 2017 – January 2018:

Learning / Sharing / Detailed Framework

February 2018 – July 2018:

Workgroups complete Action Plans

August – September 2018:

Draft 1 of Compact Created

October 2018+

Compact continues to be Shaped

CASA Goals

1. Significant systemic shift
2. Wins and must haves for key constituencies
3. Compact will guide implementation and will have “pledge” component
4. ↑ positives; ↓ negatives
5. Bold, effective, ↓ shared, best practices

CASA Compact Overview



Bay Area Specific State Legislation

Protection (Pt), Preservation (Ps), Production (Pd)

Pd: Affordable (AH), Missing Middle Income (MMI), Homeless (H), Market (M) or ALL

1. Just Cause Eviction (Pt)
2. Anti-Gouging Cap (Pt)
3. Right to Legal Counsel (Pt)
4. Amend Housing Element/RHNA for Preservation, Missing Middle, Site Feasibility (Pt, Ps, Pd ALL)
5. No Net Loss (Ps, Pt)
6. \$\$ including Housing Trust Fund, Ballot Measures (Pt, Pr, Pd: AH, H, MMI)
7. Promote Public Land for Affordable Housing (Pd: AH, MMI, H)
8. Redevelopment (Pd ALL, Pr)
9. Regional Inclusionary Zoning (Pd ALL)
10. Remove Barriers to ADUs (Pd MM, H)
11. Align and Improve Density Bonus & Inclusionary Zoning (Pd ALL)
12. Amend Permit Streamlining, Mitigation Fee Act, and CEQA to Create Fair Process (Pd ALL)
13. Cap Impact Fees (Pd ALL)
14. Improve State Streamlining (SB 35) (Pd ALL)
15. Minimum Zoning Near Transit (Pd ALL)
16. Modify Defect Liability for Condominiums (Pd ALL)
17. New Revenue to Cities that Build Housing (Pt, Ps, Pd)

CASA Compact Implementation

Regional Housing Entity

w/ resources and authority to implement the CASA Compact, across all 3 Ps

Programs \$\$\$ (ex. new Housing Trust Fund)

Monitors Housing Programs

Develops and implements priority CASA policies

Coordinates land and housing efforts regionally

Provides targeted Technical Assistance

Compiles and disseminates data

Developing and Programming New Revenue Sources

**2020
Regional
Revenue
Measure**

**Additional
Regional-Wide
Taxes & Fees**

**Foundations
& Business**

| Compact Element #1 Just Cause Eviction Standards | |
|---|---|
| Brief Description: | Just cause eviction protections ensure that tenants are protected from arbitrary evictions, requiring landlords to cite specific "just causes" (both fault and no-fault) for termination of tenancy, such as failure to pay rent or violation of lease terms. Just cause often includes relocation assistance for no-fault evictions. All renter households would benefit from just cause eviction protections. |
| Desired Effect: | Just cause would protect tenants from arbitrary evictions. Studies show that eviction can cause health issues, emotional trauma, school disruptions for children, longer and more costly commutes and reduced wage earnings for adults. By preventing no-cause evictions, just cause eviction protections promote tenant stability—particularly in low vacancy and expensive housing markets—and limit eviction-related monetary, health, school and other costs. Eviction-related costs can pose a particular burden for tenants who are low and fixed income, have physical disabilities, or are elderly. |
| Scale: | State legislation applied to 9 Bay Area counties |
| Models: | New Jersey statewide Just Cause Law; large cities in CA (SF, Oakland, San Jose, LA) |
| References: | Action Plan 2.1 |
| Negotiation Points: | Definition of permissible causes for eviction, define property types excluded, discuss relocation assistance; means of enforcement and administration |

| Compact Element #2 Anti-Gouging Cap | |
|--|---|
| Brief Description: | Establishes reasonable annual increases in rent. |
| Desired Effect: | Anti-gouging cap would prevent extreme rent increases in rent on a year-to-year basis, thereby decreasing the number of households who are at risk of displacement and homelessness, decreasing the number of households who are rent burdened, and promoting tenant and community stability. Extreme rent increases can pose a particular burden for tenants who are low and fixed income. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | State of California current Anti-Gouging law applied in emergencies |
| References: | Action Plans Referenced: 1.1, 1.2, 1.3 |
| Negotiation Points: | Annual rent increase limits, vacancy decontrol, define property types excluded; limits on # of years increases can be banked and % of increases banked; enforcement mechanisms; duration: permanent program or tied to emergency declaration w/ sunset provisions |

| Compact Element #3 Right to Legal Counsel for Eviction Proceedings | |
|---|---|
| Brief Summary: | All tenants facing eviction would have the right to legal counsel, leveling the playing field and protecting tenants from illegal evictions. |
| Desired Effect: | Access to a lawyer can be the difference between losing a home and keeping it. Ensuring that all tenants facing eviction have the right to legal counsel would create a fairer justice system; prevent evictions and homelessness; improve health, stability and opportunity for thousands of residents, including children; and preserve existing affordable housing. With proper implementation, research suggests that the right to legal assistance for eviction proceedings can lead to a net savings for local jurisdictions. |
| Scale: | State legislation supported by regional funding. |
| Models: | SF Proposition F (approved June 2018), NYC |
| References: | Action Plan 3.1 |
| Negotiation Points: | Funding source, identifying providers/administration; fees: means testing or sliding scale |

| Compact Element #4 Amendments to State Housing Law/RHNA | |
|--|---|
| Brief Description: | Amend State Housing Law and RHNA to add: <ul style="list-style-type: none"> • Site feasibility analysis • Categories, and reporting for zoning and production of homeless housing, missing middle • Tenant Protections, Preservation • Reducing cost of housing for feasibility at range of prices (fees, process, inclusionary, elevated standards other impositions) • Require RHNA compliance to include backlog and zoning in excess of RHNA |
| Desired Effect: | Require local agencies to analyze the totality of their actions on housing production and preservation, report this to the State, and use this information to evaluate their zoning and programming to improve housing outcomes. |
| Scale: | State legislation (may not be able to be limited to 9 Bay Area Counties); alternative to legislation to be explored is to amend the Housing Element certification process to provide for desired impacts outlined above. |
| Models: | Forthcoming if available, applicable |
| References: | SB 828 Weiner (land use: housing element/RHNA). This compact element to be revised as needed based on pending action by Governor on SB828 (veto; allow into law; sign). Action Plans Referenced: 8.1, 12.4 |
| Negotiation Points: | Missing middle definition; impacts on affordable housing |

| Compact Element #5 No net loss of units with right of 1st refusal | |
|--|--|
| Brief Description: | This policy would be an overlay/subset of other policies recommended that encourage rezoning/upzoning and or intensification of existing uses that currently include housing (example: Redevelopment 2.0) |
| Desired Effect: | The goal of the policy is to preserve opportunities for low income households to return to newly redeveloped areas and prevent the loss of low and middle income housing opportunities in a redevelopment project or area. |
| Scale: | 9 Bay Area Counties |
| Models: | Public Housing Redevelopment, Former Redevelopment Requirements, City of Portland No Net Loss Policy, City of Arlington, VA's Housing Conservation District |
| References: | <p>Action Plan 8.2</p> <p>http://www.lesardevelopment.com/2018/03/no-net-loss-action-sb-166/</p> <p>http://www.mapc.org/wp-content/uploads/2017/11/One-for-One-Affordable-Housing-Replacement-Ordinances.pdf</p> <p>https://www.frbsf.org/community-development/publications/community-investments/2014/march/research-briefs-money-mismanagement-correlated-homelessness-municipal-policies-preserve-affordable-housing/</p> <p>https://housing.arlingtonva.us/affordable-housing/housing-conservation-district/</p> <p>https://ahcd.assembly.ca.gov/sites/ahcd.assembly.ca.gov/files/hearings/RoleofLocalRedevelopmentAgenciesinAffordableHousingFeb15.pdf</p> |
| Negotiation Points | Relocation assistance; location and amount of replacement housing; right to return; how to pay - funding sources and/or developer incentives; 1:1 replacement definitions and requirements including whether it applies beyond just deed restricted units; balancing size of requirement vis-à-vis having sufficient \$\$ sources and offsets to over the cost |

| Compact Element #6 Significant Regional Revenue Streams | |
|--|---|
| Brief Description: | <p>In order to properly implement a number of the CASA compact proposals, we must identify billions of dollars in new revenue to support the three Ps. Given California's complex tax and fiscal rules, it is likely that we need to explore a number of vehicles / proposals throughout the region.</p> <p>Successful implementation of CASA proposals will likely call for new, on-going (as opposed to one-time) dedicated funding for affordable housing subsidies, access to legal counsel, tenant protections proposals, infrastructure related investments, preservation fund proposals and revenue to localities to offset fee reductions. Ideas include regional housing trust fund; 2020 ballot measure for funding, etc.</p> |
| Desired Effect: | Secure new, dedicated revenue sources for CASA implementation priorities. |
| Scale: | 9 Bay Area Counties with potential state legislative implications |
| Models: | MTC working on comprehensive analysis of options |
| References: | Action Plans Referenced: 9.1; 13.1; 13.2; 14.2 |
| Negotiation Points: | Types of taxes, fees and who pays, expenditure plans and rules, roles of cities and counties in governance and administration, timing considerations, labor standards, whether to link to other CASA proposals (ex. fee reductions) for successfully securing revenue |

| Compact Element #7 Increase Utilization of Public Land for Housing Production | |
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| Brief Description: | <p>Promote increased utilization of public land for affordable housing through enhancements to a variety of legislation, regulatory tools and regional coordination and planning actions including strengthening the surplus land act, amending housing element law or amending the regulatory certification process, and embedding coordinating, technical support and monitoring functions in a regional housing entity. Goals are to achieve:</p> <ul style="list-style-type: none"> • Barrier reduction to developing on public land by ensuring that land is adequately zoned • Create mechanism for coordination/monitoring of regional public land supply • Provide technical support and draft legislation that encourages public land to be re-used for housing. |
| Desired Effect: | Encourage the reuse of public land for the creation of mixed-income or affordable housing development. |
| Scale: | State legislation applied to 9 Bay Area Counties; may impact housing element law; to be addressed in coordination with other CASA policies |
| Models: | <p>Puget Sound region of WA including Seattle; https://www.psrc.org/public-land-affordable-housing;</p> <p>https://seattle.curbed.com/2017/9/29/16387686/surplus-public-land-affordable-housing</p> <p>Enterprise report: https://www.enterprisecommunity.org/download?fid=3257&nid=3739</p> |
| References: | Action Plans 16.1; 16.2 |
| Negotiation Points | <p>Intent: is it to “encourage” or to “create stricter requirements for affordability”</p> <p>Incentive structure options, revenue source to cover localities cost to implement; levels of affordability; pricing and conveyance of land ranging from donated in full to conveying at below-market value.</p> |

Compact Element #8

Recreate Redevelopment for Housing and Housing-Related Infrastructure

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| Brief Description: | <p>Reinstate redevelopment as a tool for local governments to address the need for affordable homes. RDA laws and plan areas still exist in the Health and Safety Code, though RDA Plan areas had time limits. Instead of creating a whole new law, amend the dissolution law to allow jurisdictions to bring back their redevelopment agencies, but with a few changes:</p> <ul style="list-style-type: none"> - Funding collected would only be for housing and housing-related infrastructure - Added reporting and oversight to ensure that funds are being spent appropriately and timely - Consider adding a focus on the missing middle - Consider a TI cap that limits the total amount of the pie that RDAs can capture - Relocation and replacement housing requirements stay in place. |
| Desired Effect: | <p>Redevelopment at its peak created \$1 billion annually in subsidy dollars to address the State's housing crisis. With the dissolution of redevelopment in 2011, that funding was lost and has not been replaced. Although there have been several attempts at "RDA 2.0," none of these has been productive, and few (if any) units have been built as a result. Assemblymember Chiu had a proposal this last session that started this conversation. That could be the framework for this new proposal.</p> |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Former CA Redevelopment program |
| References: | Action Plans Referenced: 14.3, 14.4 |
| Negotiation Points: | <p>Base year, Time limits, Dissolution logistics, Legacy agency housing assets, Bond obligations, Pass throughs, Oversight and administration logistics; discuss adding protections for existing tenants and communities.</p> |

| Compact Element #9 Regional 10-15% Inclusionary Standards with Waivers, Luxury Unit Fee | |
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| Brief Description: | Create uniform, reasonable and feasible inclusionary zoning standards in the region with affordable units taxed at affordable prices and use of alternative means of compliance that can be applied at request of applicant if on-site affordability not achievable. |
| Desired Effect: | Pre-cursor to achieving expanded housing production with on-site affordable throughout the region—inclusionary rates set too high, or inflexibly, can make new housing projects infeasible thereby suppressing both market rate and affordable housing production. Conversely, lack of inclusionary housing may be a missed opportunity to create mixed income housing. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Seattle, New York |
| References: | Action Plan 10.8 |
| Negotiation Points | Terms and requirements for a local waiver; monitoring and enforcement to ensure not suppressing production; exclusions; maximums; alternative means of compliance. |

| Compact Element #10 Remove Regulatory barriers to ADUs | |
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| Brief Description: | Amend existing state ADU law to remove regulatory barriers to building including ministerial approval for ADUs and Junior ADUs in residential zones, allowance for multiple ADUs in multi-family homes, and creation of a small homes building code (AB 2890 Ting). |
| Desired Effect: | <p>Extremely High Impact; Short Term. Assuming 20% of 1.5 Million single family homes in Bay Area = 300,000 new homes distributed into existing neighborhoods. In PDAs alone would be 50,000 new homes.</p> <p>Distribute green, more affordable homes into every existing neighborhood quickly. Existing local zoning rules and fees prevent widespread safe and legal ADU expansion uniformly in region. State must reduce zoning barriers to:</p> <ul style="list-style-type: none"> · Create significant, rapid increase in less costly homes for more diverse population including stabilizing vulnerable households including seniors, disabled, and lower income homeowners in all existing neighborhoods (Missing middle housing, Preservation) · Reduce GHG by improving utilization of buildings/land build more small, infill, low GHG/sustainable homes • Lower housing construction cost and help expand and stabilize labor force and construction |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Arlington Virginia, Seattle, Vancouver, Portland, Sonoma County fire recovery zone, San Francisco |
| References: | <p>Action Plans Referenced: 10.3, 10.4</p> <p>UCB Chapple 2015; UCB Turner Center 2017; Legislative history SB 1069, AB 2890</p> |
| Negotiation Points | None. |

| Compact Element #11 Align Density Bonus/Inclusionary Laws to Improve Even, Fair Application for ALL Housing Production | |
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| Brief Description: | More on-site affordable housing constructed through creating clear uniform standards for building under the State Density bonus, inclusionary zoning, and housing mitigation impact fees laws. For example, LUNA case holds that on-site affordable units must be credited against (not added to) Density Bonus units, but this case is not uniformly reflected in local practice and is silent on additional imposition of housing impact fees |
| Desired Effect: | High Impact; Short Term for mixed income projects that that otherwise prevented from advancing due to oversized and conflicting affordability and housing fee requirements. Not possible to document the number of units “not proposed”. Will increase (1) housing production overall and (2) production of affordable units or fees require significant increase in housing production that cannot widely occur without this law change. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Other regions of US with Inclusionary Zoning programs add incentives not additional costs to deliver more affordable homes (Washington, New York) |
| References: | Action Plan 10.3 AB 2923 (David Chiu, BART bill) |
| Negotiation Points | |

Compact Element #12**Streamline Housing Approvals Through Fair, Predictable, Faster Process**

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| Brief Description: | Amend State Housing and Permitting Laws (Permit Streamlining Act, Housing Accountability Act, CEQA) to disallow backsliding to avoid compliance with State law, and to restore transparency, certainty, fairness, deadlines, predictability to housing approval process for all housing types. Reinstate fairness, reasonableness, certainty, and deadlines in housing permitting through entitlement reform for homeless, affordable, and market rate housing. Case-by-case public disputes and opposition to many if not most housing projects, even when these are consistent with local plans and rules, prevent the region from supplying needed housing at any income level. Good government must be transparent, fair, predictable, and even-handed across the region, with clear rules that apply to everyone equally. |
| Desired Effect: | High Impact; Short Term for proposed housing or housing stuck in approval pipeline that that otherwise prevented from advancing due. Not possible to document the number of units “not proposed” or “slowed down until became infeasible”. Required precursor to increasing housing production of market rate, affordable, homeless, and all forms of housing. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | APA Policy Principles for the Nation’s Housing Crisis, 2018 Obama White Housing Housing Toolkit, 2017 |
| References: | Action Plan 12.1 https://www.law.berkeley.edu/wp-content/uploads/2018/02/Getting_It_Right.pdf |
| Negotiation Points | Terms and requirements for a local waiver; monitoring and enforcement to ensure not suppressing production; exploration of “deemed approved” language. |

| Compact Element #13 Cap Mitigation Impact Fees to Control Fees Evenly in Region | |
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| Brief Description: | Cap impact fees and equalize between local agencies so as not to penalize residential construction differentially, and increase uniformity and transparency of residential fees, and increase housing production, especially of smaller homes with lower overall costs like ADUs. |
| Desired Effect: | Effect of legislation will be to allow legal safe construction of thousands of homes cannot be built or are being built without permits today in part due to high impact fees, and to allow more and more evenly distributed housing production throughout the region that is not effectively barred except for luxury renters or buyers through the imposition of escalating impact fees. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Fee levels throughout US (California highest) |
| References: | Action Plans Referenced: 12.1 UCB Turner Center 2017, SB 831, HCD Impact Fee Study (ongoing) |
| Negotiation Points | Cap level/rate/exclusions; account for differences in project size; replacement sources of revenue |

| Compact Element #14 Improve Effectiveness and Fairness of State Housing Streamlining (SB 35) | |
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| Brief Description: | <p>SB 35 streamlines housing for projects with fully skilled and trained labor and on-site affordable; amendments are needed to improve effectiveness so more projects to make use of this section to increase housing production. Amendments proposed:</p> <ul style="list-style-type: none"> • allow reasonable local review • allow smaller projects to access expedited review without added labor or affordability standards • for larger projects add tax 15-year abatement (modeled on New York) and other offsets to pay for labor and affordable requirements |
| Desired Effect: | Projects that have labor standards should get the benefit of additional tools (benefits/offsets) to pay for living wage jobs. Pre-cursor to achieving expanded housing production with labor standards and on-site affordable throughout the region. Essential to easing construction labor shortage by increasing number and predictability of high quality desirable construction jobs. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | New York |
| References: | <p>SB35</p> <p>Action Plans Referenced: 12.2, 12.3, 17.1, 17.2</p> |
| Negotiation Points | Opt-Out provisions for communities of concern; economic offsets and tools; confirm 15 year time period for real estate tax abatement; define: small project, affordability levels, limits/requirements on use of real estate abatement. |

| Compact Element #15 Minimum Zoning on Transit for Housing | |
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| Brief Description: | Increase number of market rate and affordable homes near transit on low density residential, commercial, and public sites with limited parking in a manner that fits in with existing neighborhoods and expands at <u>a minimum</u> missing middle housing (housing built to height of 36', 75% lot coverage, no parking, no density restrictions), to significantly increase overall housing production in areas targeted by Plan Bay Area and Sustainable Communities. |
| Desired Effect: | High Impact, Medium to Long term but essential to achieve compliance with PBA and SCS. Required precursor to increasing housing production of market rate, affordable, homeless, and all forms of housing. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | State of Oregon |
| References: | Action Plans Referenced: 8.2, 10.3, 10.5, 10.6 SB 827; AB 2923 (David Chiu, BART bill) |
| Negotiation Points | Temporary opt-out provisions for communities of concern for 3-5 years; height for added density above missing middle; define qualifying transit (bus, rail, ferry, major transit stop?); note bus/rail pinch point; protections, affordability expectations, and labor standards. |

| Compact Element #16 Amend Product Defect Liability Standards so Attached Housing Forms Insurable for Builders/Contractors | |
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| Brief Description: | Adjust liability standards to make more homes insurable. Home ownership cannot be achieved in infill buildings without modifying existing liability laws that prevent reasonable attached home ownership products because they are uninsurable. |
| Desired Effect: | Medium to Long term but essential to achieve compliance with PBA and SCS. In regions such as Cascadia which has more reasonable liability laws for ownership, up to 50% of attached housing new construction is in ownership forms. If the Bay Area could increase production by being able to offer homes for sale in addition to for rent, could increase overall housing production significantly. Also may be only way to create new home ownership opportunities in existing developed communities including in small missing middle type projects that could create more ownership opportunities at a range of incomes. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Liability standards and insurance markets for condos in most US States and Canada |
| References: | Action Plans Referenced: 11.3 |
| Negotiation Points: | |

| Compact Element #17 Creation of New Regional Housing Entity | |
|--|---|
| Brief Description: | Create, resource, and staff a new regional housing department or quasi-public entity. This department or entity could (a) gather and track data including tracking deed restricted units and public land, (b) assist in planning and technical assistance for topics such as expanded PDA grants, and (c) support programming funding through a Regional Housing Trust Fund which could function similarly to the Bay Area Toll Authority model. The housing entity would not play a regulatory/enforcement role. |
| Desired Effect: | Precedent has been that we plan and execute regionally for many regional needs – air quality, water, transit, but not comprehensively for housing. While associations of government (including ABAG) manage the RHNA process, there are many more housing issues that can be coordinated and addressed on a regional level. CASA will create a Compact and significant capacity will be needed regionally to execute on additional outputs and goals. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | State of Oregon, Portland METRO |
| References: | Bay Area Toll Authority |
| Negotiation Points | Form of regional housing entity, whether is should be a new entity or housed within an existing organization, and related issues of governance, authority, implementation timelines and resources. |

CASA Compact Overview

Bay Area Specific Legislation – Bold, effective, shared, best practices.

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| <u>Protection</u> |
| 1. Just Cause Eviction Standards |
| 2. Anti-Gouging Cap |
| 3. Right to Legal Counsel for Eviction Proceedings |
| <u>Preservation</u> |
| 4. Amendments to State Housing Element Law/RHNA |
| 5. No Net Loss of units with Right of 1 st Refusal |
| <u>Affordable Housing Production</u> |
| 6. Significant Regional Revenue Streams |
| 7. Increase Utilization of Public Land for Housing Production |
| 8. Recreate Redevelopment for Housing and Housing-Related Infrastructure |
| 9. Regional 10-15% Inclusionary Standards with Waivers, Luxury Unit Fee |
| <u>All Housing Production (Affordable, Missing Middle, Homeless, Market)</u> |
| 10. Remove Regulatory Barriers to ADUs |
| 11. Align Density Bonus/Inclusionary Zoning Laws to Improve, Even, Fair Application for ALL Housing Production |
| 12. Streamline Housing Approvals Through Fair, Predictable, Faster Process |
| 13. Cap Mitigation Impact Fees to Control Fees Evenly in Region |
| 14. Improve Effectiveness and Fairness of State Housing Streamlining (SB 35) |
| 15. Minimum Zoning on Transit for Housing |
| 16. Amend Product Defect Liability Standards so Attached Housing Forms Insurable for Builders/Contractor |
| 17. Creation of new Regional Housing Entity |

Regional Housing Entity

Resources and authority to implement the CASA Compact, across all 3 Ps. The Regional Housing Entity:

- Programs funding through, for example, a new Regional Housing Trust Fund
- Develops and implements priority CASA policies
- Assists with planning and Technical Assistance
- Gathers data and monitors trends
- Coordinates land and housing efforts regionally

PROTECTION POLICIES

Compact Element #1: Just Cause Eviction Standards

| | |
|----------------------------|---|
| Brief Description: | Just cause eviction protections ensure that tenants are protected from arbitrary evictions, requiring landlords to cite specific "just causes" (both fault and no-fault) for termination of tenancy, such as failure to pay rent or violation of lease terms. Just cause often includes relocation assistance for no-fault evictions. All renter households would benefit from just cause eviction protections. |
| Desired Effect: | Just cause would protect tenants from arbitrary evictions. Studies show that eviction can cause health issues, emotional trauma, school disruptions for children, longer and more costly commutes and reduced wage earnings for adults. By preventing no-cause evictions, just cause eviction protections promote tenant stability—particularly in low vacancy and expensive housing markets—and limit eviction-related monetary, health, school and other costs. Eviction-related costs can pose a particular burden for tenants who are low and fixed income, have physical disabilities, or are elderly. |
| Scale: | State legislation applied to 9 Bay Area counties |
| Models: | New Jersey statewide Just Cause Law, Large cities in CA (SF, Oakland, San Jose, LA) |
| References: | Action Plan 2.1 |
| Negotiation Points: | Definition of permissible causes for eviction, define property types excluded, discuss relocation assistance; means of enforcement |

Compact Element #2: Anti-Gouging Cap

| | |
|----------------------------|--|
| Brief Description: | Establishes reasonable annual increases in rent. |
| Desired Effect: | Anti-gouging/rent stabilization would prevent extreme rent increases in rent on a year-to-year basis, thereby decreasing the number of households who are at risk of displacement and homelessness, decreasing the number of households who are rent burdened, and promoting tenant and community stability. Extreme rent increases can pose a particular burden for tenants who are low and fixed income. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Forthcoming if available/applicable. |
| References: | Action Plans Referenced: 1.1, 1.2, 1.3 |
| Negotiation Points: | Annual rent increase limits, vacancy decontrol, define property types excluded; limits on # of years increases can be banked and % of increases banked; enforcement mechanisms; duration: permanent program or tied to emergency declaration w/ sunset provisions |

| Compact Element #3: Right to Legal Counsel for Eviction Proceedings | |
|--|---|
| Brief Summary: | All tenants facing eviction would have the right to legal counsel, leveling the playing field and protecting tenants from illegal evictions. |
| Desired Effect: | Access to a lawyer can be the difference between losing a home and keeping it. Ensuring that all tenants facing eviction have the right to legal counsel would create a fairer justice system; prevent evictions and homelessness; improve health, stability and opportunity for thousands of residents, including children; and preserve existing affordable housing. With proper implementation, research suggests that the right to legal assistance for eviction proceedings can lead to a net savings for local jurisdictions. |
| Scale: | State legislation supported by regional funding. |
| Models: | San Francisco Prop F passed in June, New York City |
| References: | Action Plan 3.1 |
| Negotiation Points: | Funding source, identifying providers/administration; fees: means testing or sliding scale |

PRESERVATION POLICIES

Compact Element #4: Amendments to State Housing Law/RHNA

| | |
|----------------------------|--|
| Brief Description: | Amend State Housing Law and RHNA to add: <ul style="list-style-type: none"> • Site feasibility analysis • Categories, reporting for zoning and production of homeless housing, missing middle • Tenant Protections, Preservation • Reducing cost of housing for feasibility at range of prices (fees, process, inclusionary, elevated standards other impositions) • Require RHNA compliance to include backlog and zoning in excess of RHNA. |
| Desired Effect: | Require local agencies to analyze the totality of their actions on housing production and preservation, report this to the State, and use this information to evaluate their zoning and programming to improve housing outcomes. |
| Scale: | State legislation (may not be able to be limited to 9 Bay Area Counties); alternative to legislation to be explored is to amend the Housing Element certification process to provide for desired impacts outlined above. |
| Models: | Forthcoming if available/applicable. |
| References: | SB 828 Weiner (land use: housing element/RHNA). This compact element to be revised as needed based on pending action by Governor on SB828 (veto; allow into law; sign). Action Plans Referenced: 8.1, 12.4 |
| Negotiation Points: | Missing middle definition; impacts on affordable housing |

Compact Element #5: No Net Loss of Deed Restricted Units with Right of First Refusal

| | |
|---------------------------|---|
| Brief Description: | This policy would be an overlay/subset of other policies recommended on this list that encourage rezoning/upzoning and or intensification of existing uses that currently include housing (example: Redevelopment 2.0) |
| Desired Effect: | The goal of the policy is to preserve opportunities for low income households to return to newly redeveloped areas and prevent the loss of low and middle income housing opportunities in a redevelopment project or area. |
| Scale: | 9 Bay Area Counties |
| Models: | Public Housing Redevelopment, Former Redevelopment Requirements, City of Portland No Net Loss Policy, City of Arlington, VA Conservation Districts |
| References: | Action Plan 8.2 http://www.lesardevelopment.com/2018/03/no-net-loss-action-sb-166/ http://www.mapc.org/wp-content/uploads/2017/11/One-for-One-Affordable-Housing-Replacement-Ordinances.pdf https://www.frbsf.org/community-development/publications/community-investments/2014/march/research-briefs-money-mismanagement-correlated-homelessness-municipal-policies-preserve-affordable-housing/ https://housing.arlingtonva.us/affordable-housing/housing-conservation-district/ |

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| | https://ahcd.assembly.ca.gov/sites/ahcd.assembly.ca.gov/files/hearings/RoleofLocalRedevelopmentAgenciesinAffordableHousingFeb15.pdf |
| Negotiation Points | Relocation assistance; location and amount of replacement housing; right to return; how to pay - funding sources and/or developer incentives; 1:1 replacement definitions and requirements including whether it applies beyond just deed restricted units; balancing size of requirement vis-à-vis having sufficient \$\$ sources and offsets to cover the cost |

PRODUCTION POLICIES

Compact Element #6: Significant Regional Revenue Streams

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| Brief Description: | In order to properly implement a number of the CASA compact proposals, we must identify billions of dollars in new revenue to support the three Ps. Given California's complex tax and fiscal rules, it is likely that we need to explore a number of vehicles / proposals throughout the region. Successful implementation of CASA proposals will likely call for new, on-going (as opposed to one-time) dedicated funding for affordable housing subsidies, access to legal counsel, tenant protections proposals, infrastructure related investments, preservation fund proposals and revenue to localities to offset fee reductions. Ideas include regional housing trust fund; 2020 ballot measure for funding, etc. |
| Desired Effect: | Secure new, dedicated revenue sources for CASA implementation priorities. |
| Scale: | 9 Bay Area Counties with potential state legislative implications |
| Models: | MTC working on comprehensive analysis of options |
| References: | Action Plans 9.1; 13.1; 13.2; 14.2 |
| Negotiation Points: | Types of taxes, fees and who pays, expenditure plans and rules, roles of cities and counties in governance and administration, timing considerations, labor standards, whether to link to other CASA proposals (ex. Fee reductions) for successfully securing revenue |

Compact Element #7: Strengthen Utilization of Public Land for Housing Production

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| Brief Description: | Promote increased utilization of public land for affordable housing through enhancements to a variety of legislation, regulatory tools and regional coordination and planning actions including strengthening the surplus land act, amending housing element law or amending the regulatory certification process, and embedding coordinating, technical support and monitoring functions in a regional housing entity. Goals are to achieve: <ul style="list-style-type: none"> • Barrier reduction to developing on public land by ensuring that land is adequately zoned • Create mechanism for coordination/monitoring of regional public land supply • Provide technical support and draft legislation that encourages public land to be re-used for housing. |
| Desired Effect: | Encourage the reuse of public land for the creation of mixed-income or affordable housing development. |
| Scale: | State legislation applied to 9 Bay Area Counties; may impact housing element law; to be addressed in coordination with other CASA policies |
| Models: | Puget Sound region of WA including Seattle; https://www.psrc.org/public-land-affordable-housing ; https://seattle.curbed.com/2017/9/29/16387686/surplus-public-land-affordable-housing Enterprise report: https://www.enterprisecommunity.org/download?fid=3257&nid=3739 |
| References: | Action Plans 16.1; 16.2 |
| Negotiation Points: | Intent: is it to "encourage" or to "create stricter requirements for affordability". Incentive |

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| | <p>structure options, revenue source to cover localities cost to implement; levels of affordability; pricing and conveyance of land ranging from donated in full to conveying at below-market value.</p> |
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Compact Element #8: Recreate Redevelopment for Housing and Housing-Related Infrastructure

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| Brief Description: | Reinstate redevelopment as a tool for local governments to address the need for affordable homes. RDA laws and plan areas still exist in the Health and Safety Code, though RDA Plan areas had time limits. Instead of creating a whole new law, amend the dissolution law to allow jurisdictions to bring back their redevelopment agencies, but with a few changes: Funding collected would only be for housing and housing-related infrastructure, Added reporting and oversight to ensure that funds are being spent appropriately and timely, Consider adding a focus on the missing middle, Consider a TI cap that limits the total amount of the pie that RDAs can capture, Relocation and replacement housing requirements stay in place. |
| Desired Effect: | Redevelopment at its peak created \$1 billion annually in subsidy dollars to address the State's housing crisis. With the dissolution of redevelopment in 2011, that funding was lost and has not been replaced. Although there have been several attempts at "RDA 2.0," none of these has been productive, and few (if any) units have been built as a result. Assemblymember Chiu had a proposal this last session that started this conversation. That could be the framework for this new proposal. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Former CA Redevelopment program |
| References: | Action Plans Referenced: 14.3, 14.4 |
| Negotiation Points: | Base year, Time limits, Dissolution logistics, Legacy agency housing assets, Bond obligations, Pass throughs, Oversight and administration logistics; discuss adding protections for existing tenants and communities. |

Compact Element #9: Regional 10-15% Inclusionary Standards with Waivers, Luxury Unit Fee

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| Brief Description: | Create uniform, reasonable and feasible inclusionary zoning standards in the region with affordable units taxed at affordable prices and use of alternative means of compliance that can be applied at request of applicant if on-site affordability not achievable. |
| Desired Effect: | Pre-cursor to achieving expanded housing production with on-site affordable throughout the region—inclusionary rates set too high, or inflexibly, can make new housing projects infeasible thereby suppressing both market rate and affordable housing production. Conversely, lack of inclusionary housing may be a missed opportunity to create mixed income housing. |

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| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Seattle, New York |
| References: | Action Plan 10.8 |
| Negotiation Points | Terms and requirements for a local waiver; monitoring and enforcement to ensure not suppressing production, Exclusions, Maximums; Alternative means of compliance |

| Compact Element #10: Remove Regulatory barriers to ADUs | |
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| Brief Description: | Amend existing state ADU law to remove regulatory barriers to building including ministerial approval for ADUs and Junior ADUs in residential zones, allowance for multiple ADUs in multi-family homes, and creation of a small homes building code (AB 2890 Ting). |
| Desired Effect: | Extremely High Impact; Short Term. Assuming 20% of 1.5 Million single family homes in Bay Area = 300,000 new homes distributed into existing neighborhoods. In PDAs alone would be 50,000 new homes. Distribute green, more affordable homes into every existing neighborhood quickly. Existing local zoning rules and fees prevent widespread safe and legal ADU expansion uniformly in region. State must reduce zoning barriers to: (1) Create significant, rapid increase in less costly homes for more diverse population including stabilizing vulnerable households including seniors, disabled, and lower income homeowners in all existing neighborhoods (Missing middle housing, Preservation); (2) Reduce GHG by improving utilization of buildings/land build more small, infill, low GHG/sustainable homes. Help expand and stabilize labor force and construction. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Forthcoming if applicable from other states |
| References: | Action Plans Referenced: 10.3, 10.4, UCB Chapple 2015; UCB Turner Center 2017; Legislative history SB 1069, AB 2890 |
| Negotiation Points: | |

| Compact Element #11: Align Density Bonus/I | |
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| Brief Description: | More on-site affordable housing constructed through creating clear affordable units must be credited against (not added to) Density Bonus |
| Desired Effect: | High Impact; Short Term for mixed income projects that that other proposed". Will increase (1) housing production overall and (2) pr |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Other regions of US with Inclusionary Zoning programs add incent |
| References: | Action Plan 10.3 AB 2923 (David Chiu, BART bill) |
| Negotiation Points: | |

| Compact Element #12: Streamline Housing Approvals Through Fair, Predictable, Faster Process | |
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| Brief Description: | Amend State Housing and Permitting Laws (Permit Streamlining Act, Housing Accountability Act, CEQA) to disallow backsliding to avoid compliance with State law, and to restore transparency, certainty, fairness, deadlines, predictability to housing approval process for all housing types. Reinstate fairness, reasonableness, certainty, and deadlines in housing permitting through entitlement reform for homeless, affordable, and market rate housing. Case-by-case public disputes and opposition to many if not most housing projects, even when these are consistent with local plans and rules, prevent the region from supplying needed housing at any income level. Good government must be transparent, fair, predictable, and even-handed across the region, with clear rules that apply to everyone equally. |
| Desired Effect: | High Impact; Short Term for proposed housing or housing stuck in approval pipeline that that otherwise prevented from advancing due. Not possible to document the number of units "not proposed" or "slowed down until became infeasible". Required precursor to increasing housing production of market rate, affordable, homeless, and all forms of housing. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Forthcoming if available/applicable. |

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| References: | Action Plans Referenced: 12.1 https://www.law.berkeley.edu/wp-content/uploads/2018/02/Getting_It_Right.pdf |
| Negotiation Points | Terms and requirements for a local waiver; monitoring and enforcement to ensure not suppressing production; exploration of “deemed approved” language. |

Compact Element #13: Cap Mitigation Impact Fees to Control Fees Evenly in Region

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| Brief Description: | Cap impact fees and equalize between local agencies so as not to penalize residential construction differentially, and increase uniformity and transparency of residential fees, and increase housing production, especially of smaller homes with lower overall costs like ADUs. |
| Desired Effect: | Effect of legislation will be to allow legal safe construction of thousands of homes cannot be built or are being built without permits today in part due to high impact fees, and to allow more and more evenly distributed housing production throughout the region that is not effectively barred except for luxury renters or buyers through the imposition of escalating impact fees. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | forthcoming if available, applicable |
| References: | Action Plans Referenced: 12.1, UCB Turner Center 2017, SB 831, HCD Impact Fee Study |
| Negotiation Points: | Cap level/rate/exclusions, Account for differences in project size, Replacement sources of revenue |

Compact Element #14: Improve Effectiveness and Fairness of State Housing Streamlining (SB 35)

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| Brief Description: | SB 35 was intended to streamline housing for projects with fully skilled and trained labor and on-site affordable. Amendments are needed to improve effectiveness so more projects to make use of this section to increase housing production. Amendments proposed: <ul style="list-style-type: none"> • To allow reasonable local review • Allow smaller projects to access expedited review without added labor or affordability standards • For larger projects add tax 15-year abatement (modeled on New York) and other offsets to pay for labor and affordable requirements |
| Desired Effect: | Projects that have labor standards should get the benefit of additional tools (benefits/offsets) to pay for living wage jobs. Pre-cursor to achieving expanded housing production with labor standards and on-site affordable throughout the region. Essential to easing construction labor shortage increasing number and predictability of high quality desirable construction jobs. |
| Scale: | State legislation applied to 9 Bay Area Counties |

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| Models: | New York |
| References: | SB 35 Action Plans Referenced: 12.2, 12.3, 17.1, 17.2 |
| Negotiation Points: | Opt-Out provisions for communities of concern, economic offsets and tools, confirm 15 year time period for real estate tax abatement; define: small project, affordability levels, limits/requirements on use of real estate abatement. |

Compact Element #15: Minimum Zoning on Transit for Housing

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| Brief Description: | Increase number of market rate and affordable homes near transit on low density residential, commercial, and public sites with limited parking in a manner that fits in with existing neighborhoods and expands at a <u>minimum</u> missing middle housing (housing built to height of 36', 75% lot coverage, no parking, no density restrictions), to significantly increase overall housing production in areas targeted by Plan Bay Area and Sustainable Communities. |
| Desired Effect: | High Impact, Medium to Long term but essential to achieve compliance with PBA and SCS. Required precursor to increasing housing production of market rate, affordable, homeless, and all forms of housing. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Forthcoming if available/applicable. |
| References: | Action Plans Referenced: 8.2, 10.3, 10.5, 10.6 SB 827 |
| Negotiation Points: | Temporary opt-out provisions for communities of concern for 3-5 years; height for added density above missing middle, define qualifying transit (bus, rail, ferry, major transit stop?); note bus/rail pinch point; protections, affordability expectations, and labor standards. |

Compact Element #16: Amend Product Defect Liability Standards

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| Brief Description: | Adjust liability standards to make more homes insurable. Home ownership cannot be achieved in infill buildings without modifying existing liability laws that prevent reasonable attached home ownership products because they are uninsurable. |
| Desired Effect: | Medium to Long term but essential to achieve compliance with PBA and SCS. In regions such as Cascadia which has more reasonable liability laws for ownership, up to 50% of attached housing new construction is in ownership forms. If the Bay Area could increase production by being able to offer homes for sale in addition to for rent, could increase overall housing production significantly. Also may be only way to create new home ownership opportunities in existing developed communities including in small missing middle type projects that could create more ownership opportunities at a range of incomes. |
| Scale: | State legislation applied to 9 Bay Area Counties |

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| Models: | Liability standards and insurance markets in most US States and Canada |
| References: | Action Plans Referenced: 11.3 Legislative History |
| Negotiation Points: | |

| Compact Element #17: Creation of New Regional Housing Entity | |
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| Brief Description: | Create, resource, and staff a new regional housing department or quasi-public entity. This department or entity could (a) gather and track data including tracking deed restricted units and public land, (b) assist in planning and technical assistance for topics such as expanded PDA grants, and (c) support programming funding through a Regional Housing Trust Fund which could function similarly to the Bay Area Toll Authority model. The housing entity would not play a regulatory/enforcement role. |
| Desired Effect: | Our regional agencies currently are not equipped with the capacity and authority to tackle our pressing displacement and affordable housing crisis. For housing, the regional agencies already have an overwhelming amount of work to do to execute on existing goals to reach that vision, and while Bay Area Metro is well positioned to plan, it has insufficient bandwidth, tools and expertise to <i>implement</i> . CASA will create a Compact and even more capacity will be needed regionally to execute on additional outputs and goals. |
| Scale: | State legislation applied to 9 Bay Area Counties |
| Models: | Forthcoming if available/applicable. |
| References: | Bay Area Toll Authority |
| Negotiation Points | Implementation, Resources, Authority |