



Memorandum

TO: Joint MTC Legislation Committee and
ABAG Legislation Committee

DATE: April 8, 2019

FR: Executive Director

RE: State Housing Legislative Landscape

There was a flurry of housing legislative activity the week of April 1st with the Senate Housing Committee and the Assembly Housing & Community Development Committee each holding their first hearing of the two-year session. These hearings included action on number of bills that staff have been tracking closely, including SB 4 (McGuire), SB 5 (Beall), SB 18 (Skinner) SB 50 (Wiener), SB 235 (Dodd), AB 68 (Ting) and AB 69 (Ting). At your meeting staff will provide an update on the status of these and other bills, as well as a report on the ABAG-MTC Housing Legislative Working Group, which held its first meeting on Friday, April 5th.

Attachment A is a matrix that organizes the bills by subject noting those that fall into the “protection” category (as in protecting residents from displacement) and those that fall into the production and preservation of affordable housing category. While production and preservation are distinct, for the purpose of bill analysis we are grouping them since we haven’t seen any bills strictly limited to preservation, but all of the funding bills make both preservation and production an eligible expense.

As a reminder, these so-called “3Ps” were the three categories of housing policy the CASA effort identified as critical to moving forward as one package, or “compact.” While Attachment A is much larger in scope than the CASA Compact’s recommendations, staff believes the 3Ps remain a useful way to organize and analyze the onslaught of housing bills under consideration this year.

Therese W. McMillan

Attachment:

- Attachment A: 2019 Housing Bill Matrix

TWM:rl

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DRAFT**2019 Housing Bill Matrix
Last Updated: April 1, 2019**

| Topic | Bill | Summary | Bay Area Legislator | Bay Area Specific Bill |
|---|----------------------|--|---------------------|------------------------|
| PROTECTION | | | | |
| Rent Cap | AB 36 (Bloom) | Loosens, but does not repeal, Costa Hawkins to allow rent control to be imposed on single family homes and multifamily buildings 10 years or older, with the exception of buildings owned by landlords who own just one or two units. | | |
| | AB 1482 (Chiu) | Caps annual rent increases by an unspecified amount above the percent change in the cost of living. Exempts housing subject to a local ordinance that is more restrictive than the bill. Prohibits termination of tenancy to avoid the bill's provisions. | √ | |
| Just Cause Eviction | AB 1481 (Bonta) | Prohibits eviction of a tenant without just cause stated in writing. Requires tenant be provided a notice of violation of lease and opportunity to cure violation prior to issuance of notice of termination. | | |
| | AB 1697 (Grayson) | For a lease in which the tenant has occupied the property for 12 months or more, prohibits eviction of a tenant without just cause stated in writing. | √ | |
| 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. | | |
| Rent Assistance & Access to Legal Counsel | SB 18 (Skinner) | <ul style="list-style-type: none">• Authorizes grant program to be administered by Department of Housing and Community Development (HCD) to provide emergency rental assistance and grants for local governments to provide access to legal counsel for tenants facing eviction.• Requires HCD to post all state laws applicable to the tenant-landlord relationship on its web site. | √ | |

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| PRODUCTION & PRESERVATION | | | | |
|---------------------------|--------------------|---|---|--|
| ADUs | AB 68 (Ting) | <ul style="list-style-type: none"> Prohibits local accessory dwelling unit (ADU) standards from including certain requirements related to minimum lot size, floor area ratio or lot coverage, 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. | √ | |
| | AB 69 (Ting) | <ul style="list-style-type: none"> 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. | √ | |
| | AB 587 (Friedman) | Authorizes 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. | | |
| | AB 671 (Friedman) | Requires local agencies to include a plan that incentivizes and promotes the creation of ADUs that can be offered for rent for very low, low and moderate income households in their housing elements. | | |
| | AB 881 (Bloom) | Eliminates ability of local jurisdiction to mandate that an applicant for an ADU permit be an owner-occupant. | | |
| | SB 13 (Wieckowski) | <ul style="list-style-type: none"> Maintains local jurisdictions' ability to define height, setback, lot coverage, parking and size of 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. | √ | |

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| | | <ul style="list-style-type: none"> Allows a local agency to count an accessory dwelling unit for purposes of identifying adequate sites for housing. | | |
| Zoning/ Housing Approvals | AB 1279 (Bloom) | <ul style="list-style-type: none"> 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. | | |
| | SB 4 (McGuire) | <ul style="list-style-type: none"> Allows an eligible TOD project that is located within ½-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 ¼ 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. | √ | |
| | SB 50 (Wiener) | <ul style="list-style-type: none"> Allows upzoning within ½-mile of transit and in high-opportunity areas. Provides for a five-year deferral of bill’s provisions in “sensitive communities” that would be defined by HCD in conjunction with community groups. Defers applicability of bill in “sensitive communities” –to be defined by HCD in conjunction with local community-based organizations—until January 1, 2025. 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. | √ | |

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| | SB 330 (Skinner) | <ul style="list-style-type: none"> Restricts a local jurisdiction or ballot measure from downzoning 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 __ % higher than statewide average fair market rent for the year and a vacancy rate below __%. Prohibits a city or county from conducting more than three de novo hearings on an application for a housing development project. Ten year emergency statute. | √ | |
| Fees/ Transparency | AB 724 (Wicks) | <ul style="list-style-type: none"> Requires HCD 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. Requires HCD complete the rental registry online portal by January 1, 2021, and would require landlords to register within 90 days and annually thereafter. | | |
| | AB 847 (Grayson) | <ul style="list-style-type: none"> Requires HCD to establish a competitive grant program, subject to appropriation by the Legislature, to offset 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% affordable (specific AMI level unspecified) and be consistent with sustainable communities strategy (SCS). Preference for transit-oriented development | √ | |
| | AB 1483 (Grayson) | <ul style="list-style-type: none"> Requires a city or county to compile of zoning and planning standards, fees, special taxes, and assessments in the jurisdiction. Requires each local agency to post the list on its website and provide the list to the HCD and any applicable metropolitan planning organization. Requires each city and county to annually submit specified information concerning pending housing development projects with completed applications within the city or county to HCD and any applicable metropolitan planning organization. | √ | |

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| | AB 1484 (Grayson) | <ul style="list-style-type: none"> 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 application for the development project is submitted to the local agency. 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. | √ | |
| Streamlining | AB 1485 (Wicks) | For a 15-year period, provides specified financial incentives to a residential development project in the San Francisco Bay Area that dedicates at least 20 percent of housing units to households making no more than 150% AMI. Incentives include exemption from CEQA, a cap on fees, a density bonus of 35%, parking reductions and a waiver of other local requirements. | √ | √ |
| | AB 1706 (Quirk) | <ul style="list-style-type: none"> 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% Area Median Income (AMI). Incentives include exemption from CEQA, a cap on fees, a density bonus of 35%, parking reductions and a waiver of physical building requirements imposed on development, such as green building standards. | √ | √ |
| | SB 621 (Glazer) | <ul style="list-style-type: none"> 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. Prohibits a court from staying or enjoining the construction or operation of an affordable housing project unless it makes certain findings. | √ | |
| Public Lands | SB 6 (Beall) | <ul style="list-style-type: none"> 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. | √ | |

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| | | <ul style="list-style-type: none"> Require 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. | | |
| | AB 1255 (Rivas) | Surplus Public land: Database. Requires the housing element to contain an inventory of land owned by the city or county that is in excess of its foreseeable needs and requires the city or county to identify those sites that qualify as infill or high density. | | |
| | AB 1486 (Ting) | Revises the definitions of “local agency” and “surplus land” applicable to the current law requirement that local agencies provide notice that the land is available for housing development. Modifies the reporting requirements to include councils of government | √ | |
| Funding <i>(Note: Funding is the most relevant category for affordable housing preservation)</i> | AB 10 (Chiu) | Expands the state’s Low Income Housing Tax Credit program by \$500 million per year, up from \$94 million, leveraging an estimated \$1 billion in additional federal funds annually. | √ | |
| | AB 11 (Chiu) | <ul style="list-style-type: none"> 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. Requires establishment of new agencies be approved by the Strategic Growth Council and that expenditure plans for such agencies be aligned with the state’s greenhouse gas reduction goals. A minimum of 30 percent of funds would be required to be invested in affordable housing. | √ | |
| | AB 1487 (Chiu) | <ul style="list-style-type: none"> Establishes the Housing Alliance for the Bay Area, a new regional entity serving the nine Bay Area counties, authorizing it to place unspecified revenue measures on the ballot to finance affordable housing production, preservation and tenant protection programs. Authorizes HABA to Provides that HABA will be staffed by MTC. | √ | √ |

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| | AB 1568 (McCarty) | Conditions eligibility for SB 1 local street and road fund on achievement of specified shares of a jurisdiction's share of the regional housing need allocation across all income levels. | | |
| | ACA 1 (Aguiar-Curry) | Reduces vote threshold for local bonds or special taxes for affordable housing production, preservation or public infrastructure. | √ | |
| | SB 5 (Beall) | <ul style="list-style-type: none"> • 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. | √ | |
| | 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. | √ | |
| Planning | AB 725 (Wicks) | Prohibits more than 20% of a jurisdiction's share of regional housing need for above moderate-income housing from being allocated to sites with zoning restricted to single-family development. | | |
| | 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. | √ | √ |
| | 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. | | √ |