

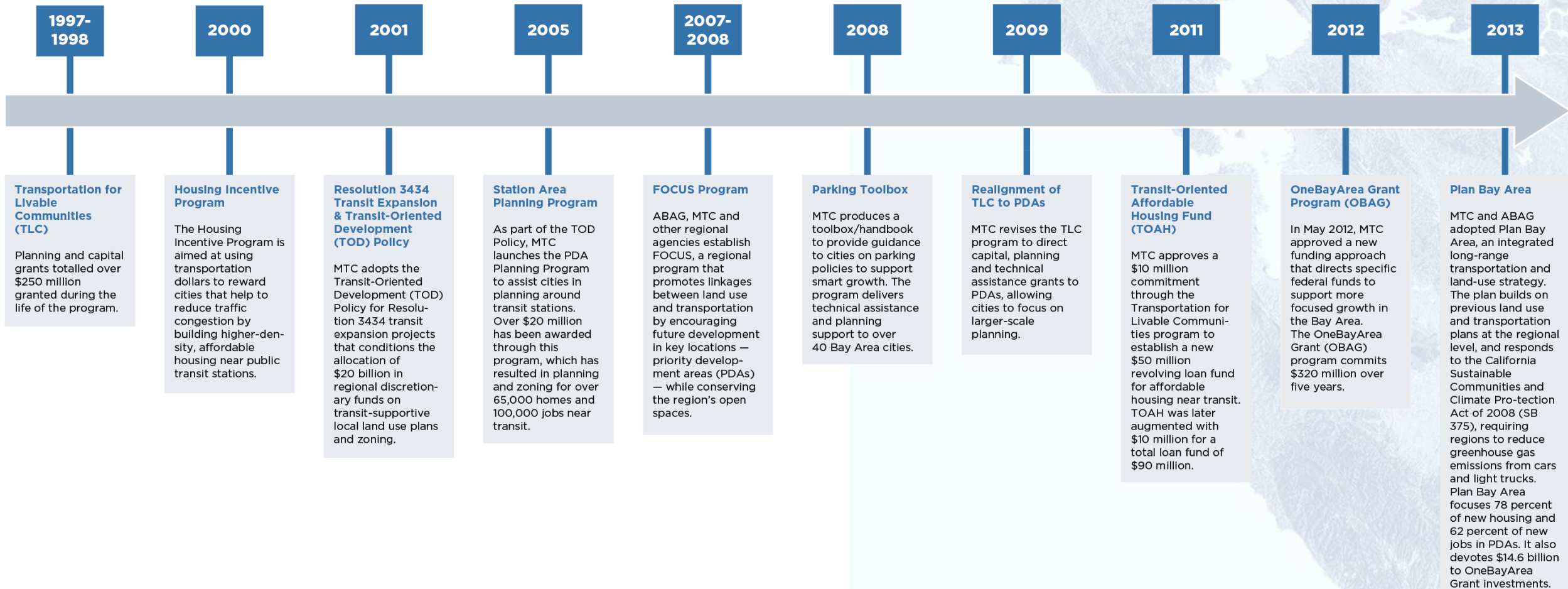
# Presentation on Housing Legislation to the ABAG-MTC Joint Legislation Committee

*May 10, 2019*



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

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



# 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	Partners and Timeframe
<p><b>Advance regional “self-help” funding and financing solutions for housing:</b> 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.</p>	<p><b>MTC/ABAG, CASA, local jurisdictions</b></p> <p>Evaluate 1-2 YEARS</p> <p>Execute 2 - 4 YEARS</p>
<p><b>Advance state legislative and funding solutions:</b> 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 market-rate and affordable housing.</p>	<p><b>State legislature, MTC/ABAG, CASA, local jurisdictions</b></p> <p>2 YEARS</p>
<p><b>Implement policy successes:</b> Implement the housing and community stabilization initiatives adopted in the second area grant (OBAG) 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 development. Evaluate the performance of these strategies and applicability of expanding these types of loan and programs for future funding programs.</p>	<p><b>MTC/ABAG, CMAs, CASA</b></p> <p>2 - 4 YEARS</p>
<p><b>Policies connecting transportation funding to housing production and performance:</b> Analyze the existing housing production with pertinent existing and new transportation funding sources, with particular emphasis on affordable to very low-, low- and moderate-income households as well as anti-displacement and community development. Develop 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 Metropolitan Transportation Commission on the use of discretionary funding sources where such housing provisions and conditions may be added.</p>	<p><b>MTC/ABAG, CASA, the Partnership, regional leaders, local jurisdictions, transit operators</b></p> <p>Evaluate 1 YEAR</p> <p>Execute 2 - 4 YEARS</p>
<p><b>Assistance and best practices to local jurisdictions related to the transformation of “opportunity zones”:</b> Provide technical assistance and best practices to local jurisdictions as they envision upgrades to low-intensity office parks and retail centers to create mixed-use, mixed-income, and transit-oriented development with significant housing.</p>	<p><b>MTC/ABAG, local jurisdictions, CASA</b></p> <p>Ongoing 1 - 4 YEARS</p>
<p><b>Technical assistance and policy leadership for housing and community stabilization:</b> Expand and transform technical assistance for local jurisdictions that is tailored to both Bay Area-wide challenges and challenges of the region, including best practices to support new housing (e.g., heights that support more units and density, form-based codes, etc.) 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 anti-displacement 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 anti-displacement policies to support low-income renters, including incentives for landlords to keep existing rents affordable.</p>	<p><b>MTC/ABAG, local jurisdictions, BAAQMD, CMAs, CASA</b></p> <p>Ongoing 1 - 4 YEARS</p>
<p><b>Close data gaps and improve information accessibility:</b> 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.</p>	<p><b>MTC/ABAG</b></p> <p>Ongoing 1 - 4 YEARS</p>

TABLE 5.1 Plan Bay Area 2040 “Action Plan” recommendations for housing.

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



# 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 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.



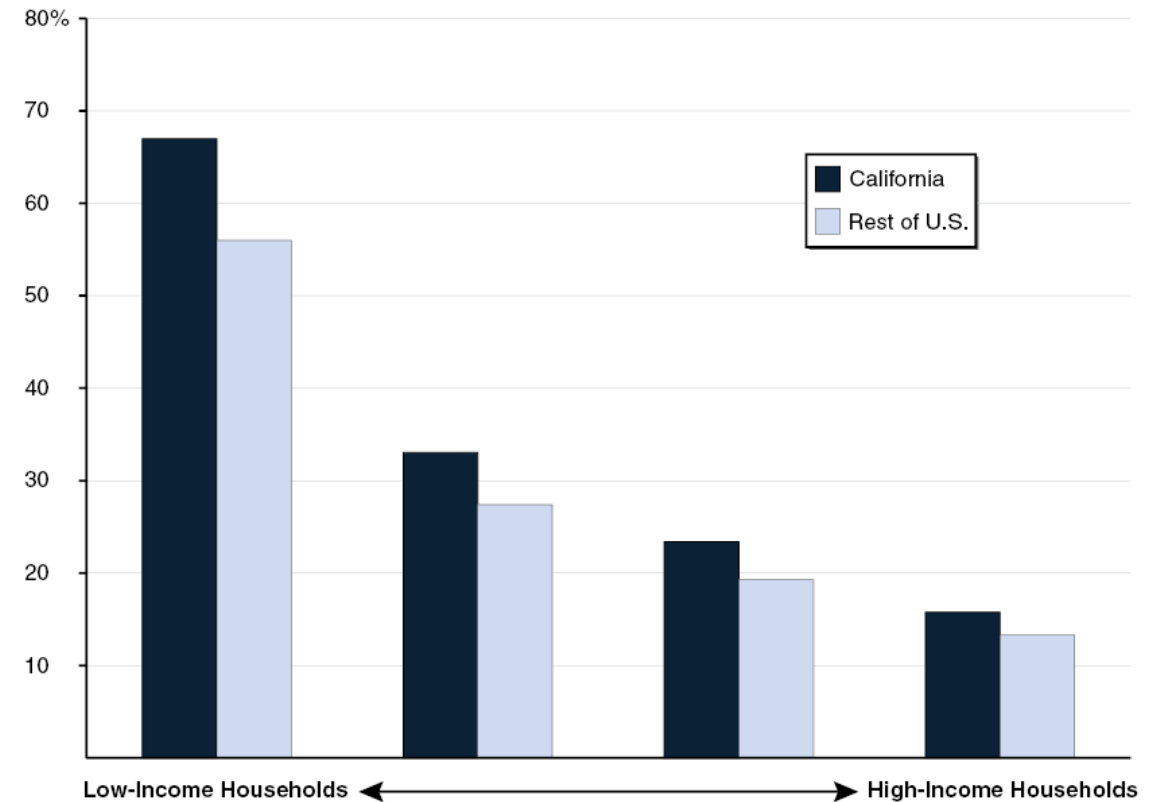


# AB 1482 (Chiu) – Tenant Protections: Rent Cap

- 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

*Median Share of Income Spent on Housing by Income Quartile*



Source: Legislative Analysts Office



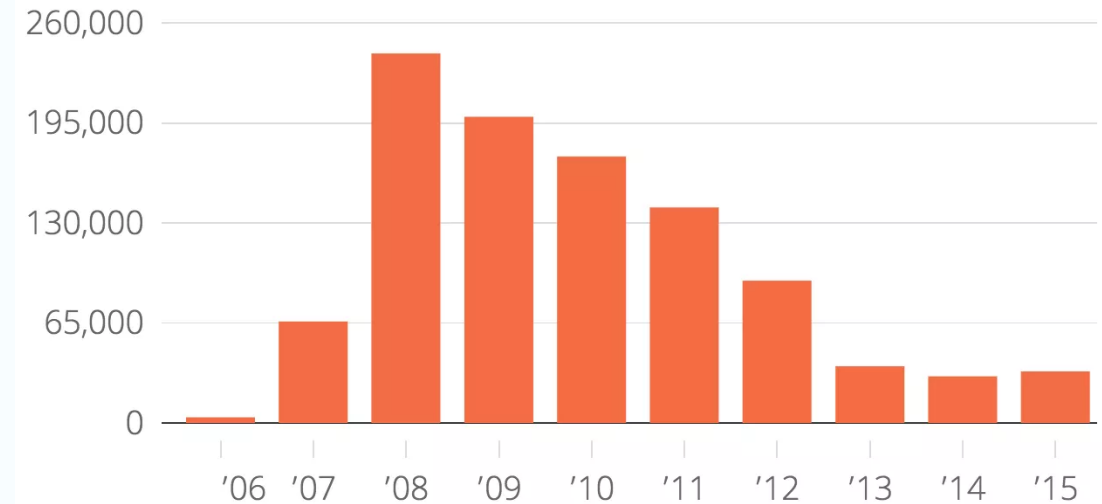
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# SB 18 (Skinner) – Keep Californians Housed Act

## 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 foreclosed property
- Make an unspecified amount of one-time funding available to the HCD for rental assistance and legal aid services grants

Completed Foreclosures in California by Year



Lisa Pickoff-White/KQED

Data: RealtyTrak



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# 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 transit- and 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 **35** 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 **½-mile** radius of a rail or ferry station, also allow at least 45 feet tall and 2.5 floor area ratio (FAR)
- Within **¼-mile** radius of a rail or 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 high-quality 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” **or** 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 1/4 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	<ul style="list-style-type: none"><li>• 15% low-income OR</li><li>• 8% very low-income OR</li><li>• 6% extremely low-income</li></ul>
201 – 350 units	<ul style="list-style-type: none"><li>• 17% low-income OR</li><li>• 10% very low-income OR</li><li>• 8% extremely low-income</li></ul>
351 units or more	<ul style="list-style-type: none"><li>• 25% low-income OR</li><li>• 15% very low-income OR</li><li>• 11% extremely low-income</li></ul>



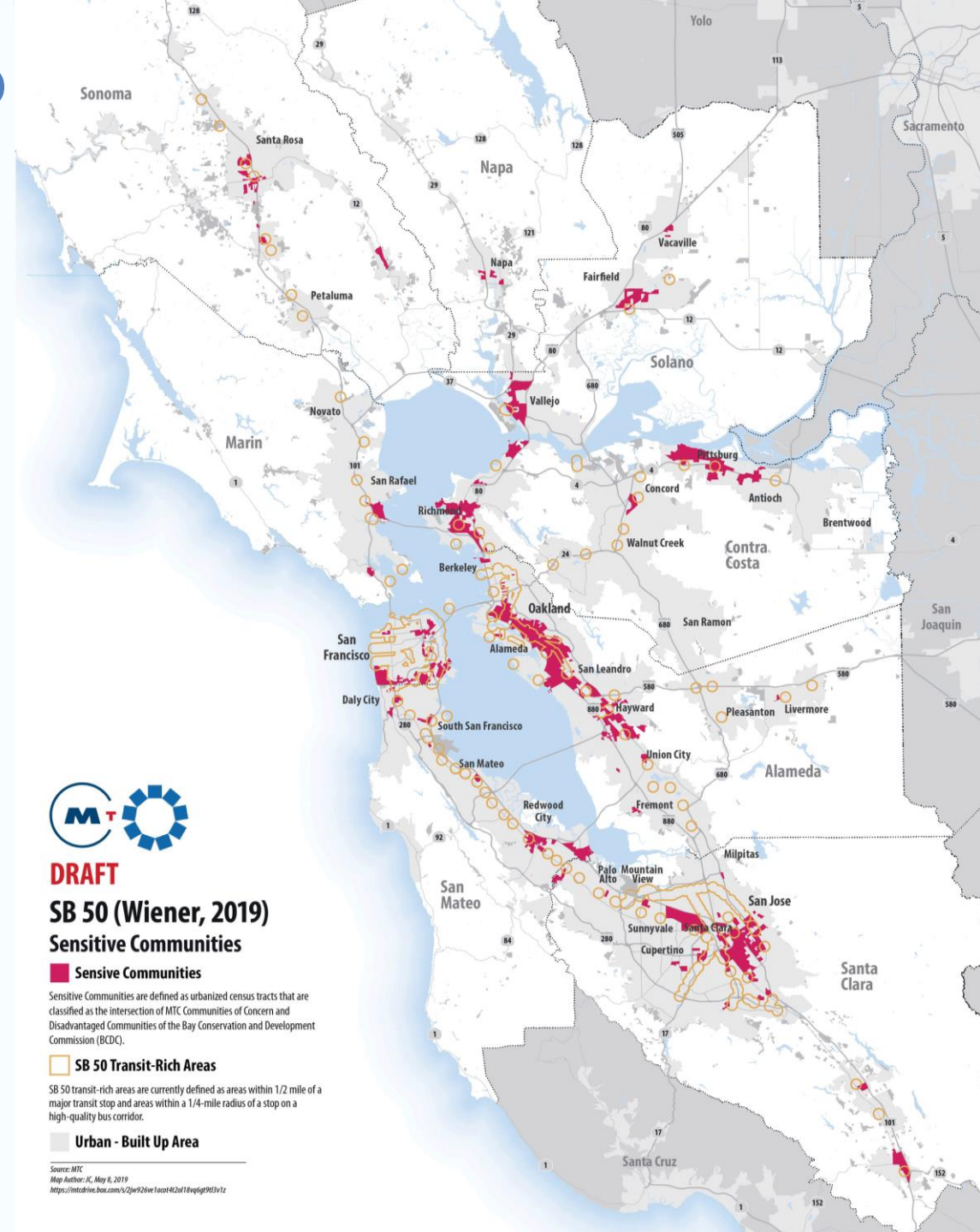
Amendments anticipated related to in lieu fees to ensure affordable housing project is actually built, and is within ½-mile of original project and near transit.





# 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 [here](#).



# SB 330 Staff Recommendation

## Seek Amendments as follows:

- **Approval Timeline ✓**  
We proposed a tiered timeline; bill was amended on May 7<sup>th</sup> 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 1/2-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 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 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 funds instead of HABA



Senior housing



Affordable housing preservation



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# 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
- ½-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 ½ 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)



### Unit Specifics

Unit Type	New construction
Bedrooms	2
Bathrooms	2
Square feet	800
Year built	2010-12
Construction	New construction (including primary dwelling)
Total Cost	\$1.1 million for entire project - second unit was approximately 25%
Jurisdiction	San Carlos
Neighborhood	Devonshire
Designer	Fred Stratchdee
Builder	Victor (homeowner)
Use	Residence (rents primary dwelling)



Kate & Miranda's Retirement Plan  
336 sq ft • 1 bedroom, 1 bath, kitchen, living room



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



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

- Allows ADUs up to 850 sq. ft. ( $\leq 1$  bedroom) or 1,000 sq. ft. ( $\geq 1$  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
- 60-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 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.*



# 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.

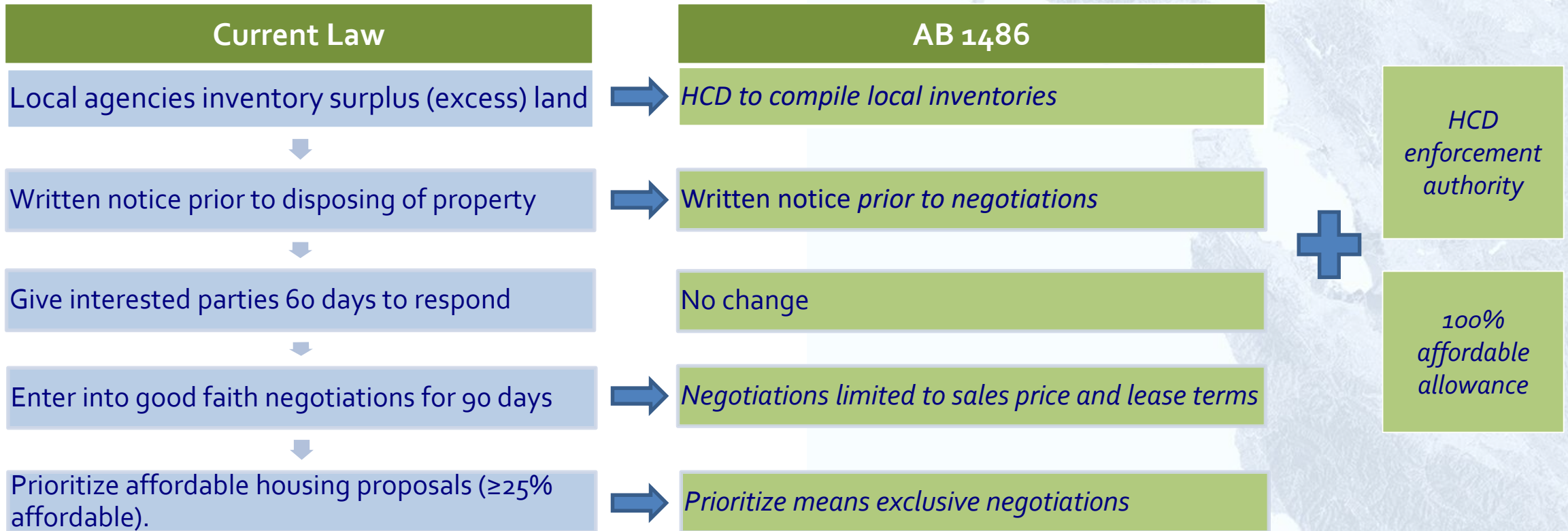


# Local Surplus Land Disposal – AB 1486 Revisions

## Scope

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 takes an action to dispose of it*. New surplus land exemptions.

## How it Works





# 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.

