

Date: Thursday, April 11, 2019, 2:00 p.m. – 4:00 p.m.

Location: Board Room, MTC

Staffing:

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

Attendance: 26 in person, plus on the phone

Chair's Report

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

Director McMillan: Provided an overview of the meeting agenda.

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

Comments on Chair's Report

Alameda County

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

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Contra Costa County

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

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

Report on Housing Bill Landscape

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

Comments on Analysis of Protection-Related Bills

San Mateo County

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

Contra Costa County

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

Solano County:

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

San Francisco County:

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

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Comments on ADU Bill Analysis Matrix:

Long:

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

San Mateo County:

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

Alameda County

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

Solano County:

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

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Contra Costa County:

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

Marin County:

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

Napa County:

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

Next Meeting:

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

Marin County:

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

Solano County:

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

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

Contra Costa County:

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

Alameda County:

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

San Mateo County:

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

Public Comment:

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

Closing comments:

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