

**Bay Area Housing Finance Authority and Association of Bay Area Governments  
BAHFA Oversight Committee and ABAG Housing Committee**

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**October 14, 2021**

**Agenda Item 9.a.**

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**Legislative Update**

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**Subject:**

Overview of key housing bills enacted by the State Legislature in 2021 and update on efforts to attract federal funding for BAHFA

**Background:**

The 2021 legislative session included changes to numerous state laws affecting local agencies, including housing element law, and the Housing Accountability Act which governs the process around housing development proposal approvals. Key bills that were signed by the time this memo was finalized include:

- SB 9 (Atkins) – authorizing duplexes in single family zoned areas (subject to a long list of exclusions). A July 2021 report by UC Berkeley’s Turner Center at this [link](#) includes an analysis of how the bill could affect housing supply given the bill’s restrictions on the type of lot that is eligible and financial feasibility.
- SB 477 (Wiener) – modifying the annual progress reports required by locals to project level rather than aggregate data
- AB 215 (Chiu) – expanding the Department of Housing and Community Development (HCD)’s ability to enforce state housing law
- AB 602 (Grayson) – requires that development fees imposed on a housing development project be assessed in proportion to square footage of the proposed units or agency must adopt a finding on why this is not an appropriate metric.
- AB 1304 (Santiago) – clarifies that public entities are mandated to comply with Affirmatively Furthering Fair Housing requirements, and also requires cities to include AFFH considerations in their Housing Element.
- AB 1398 (Bloom) – accelerates the timeframe for rezoning from three years and 120 days to one year for a local jurisdiction that fails to submit its housing element on time.
- SB 8 (Skinner) – extending Housing Accountability Act sunset date to 2030 from 2024
- SB 791 (Cortese) – establishing the California Surplus Land Unit (Surplus Land Unit) within the Department of Housing and Community Development (HCD)

**Federal Advocacy Update:**

Staff and our advocacy partners have been engaging in advocacy related to the \$3.5 trillion budget reconciliation bill, which includes funding for affordable housing as well as long-time Democratic priorities such as Medicare expansion, universal pre-K, two free years of community college, child tax credit expansion and more. The inclusion of affordable housing in the bill has provided an opportunity for advocacy for BAHFA to seek eligibility from some the new grant programs. Attached is a support letter from the Bay Area Housing for All Coalition on this concept, which is focused on making BAHFA eligible for grants from the Unlocking Possibilities Program and the Community Restoration and Revitalization Program, along with a summary of the housing provisions in the bill.

**Issues:**

Some of these state laws will require significant changes to the way local agencies do business. Staff will continue to analyze them and advise our Planning Team on those which lend themselves to a regional role as far as providing technical assistance and implementation support. We encourage local jurisdiction staff to reach out to let us know where they have questions and need guidance.

**Next Steps:**

ABAG is hiring a law firm with expertise in housing law to serve as a resource to Bay Area local jurisdictions as they navigate the latest changes to housing law. The firm will provide an expert to present a webinar for local jurisdiction staff on the most important new housing laws passed this year with a focus on those laws that require action on the part of local jurisdictions. The firm will also be available for group question and answer sessions related to housing law.

**Attachments:**

Attachment A: Summary of 2021 MTC/ABAG tracked housing bills enacted or awaiting signature.

Attachment B: BAHA Advocacy Coalition Letter, September 28, 2021

Attachment C: Build Back Better Housing Provisions

**Review:**

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