

2019 Planning Commissioners Academy Legislative/State Budget Update

March 8, 2019

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Political Landscape

- Governor Newsom won election by 22 points.
- Governor has very ambitious housing production goals – 3.5 million by 2025.
- Assembly – 60 Dems and 20 Reps.
- Senate – 28 Dems, 10 Reps, and 2 vacancies.
- Super majority party is progressive on housing policy.
- Nearly all housing bills are simple majority vote.

Governor Newsom's State of the State

- "If we want a California for All, we have to build housing for all."
- "I don't intend to file suit against all 47, but I'm not going to preside over neglect and denial." (*standing ovation*)

Governor Newsom's State Budget

Affordable Housing Funding:

- \$500 million in affordable housing tax credits (ongoing).
- \$500 million for multifamily moderate-income loan program (developers).
- Accelerate expenditures of Prop. 1 & 2 funding.

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Governor Newsom's State Budget

Homeless Funding and Assistance

- \$500 million for emergency homeless funding for cities and counties.
- \$25 million to assist homeless individuals in accessing federal disability funds.
- \$100 million for county “whole person care” programs.

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Governor Newsom's State Budget

Homeless Funding and Assistance

- \$50 million for expanded mental health training.
- CEQA streamlining for homeless shelters (similar to sports stadiums).
- Allow California Department of Transportation right of way and airspace to be used for building homeless shelters.

Governor Newsom's State Budget

Effort to Increase State Oversight and Control of Local Governments

- Direct HCD to adopt increased short-term higher housing production goals, distribute goals to local agencies and allow oversight and enforcement action against local agencies as needed.
- Allow the state to take transportation funds if housing production is lower than RHNA goals.

Governor Newsom's State Budget

Effort to Increase State Oversight and Control of Local Governments

- Offer \$500 million in incentive grants to local agencies that meet unspecified milestones associated with enhanced planning and increased housing production.
- Potential task force or ballot initiative to address local housing development impact fees.

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Existing Housing and Land Use Laws

- All cities must have a General Plan, Housing Element.
- Housing Accountability Act.
- Density Bonus.
- Zoning – No Net Loss, no moratorium on multi-family.
- Ministerial approval – sites not rezoned within housing element, SB 35, and ADU.

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Key Housing Bills 2019 Legislative Session

- Feb. 22nd was the introduction deadline.
- 2,700 bills introduced this year.
- 1st year of the two-year session.

Upzoning Near Transit/Single-Family Areas

AB 725 (Wicks) Above Moderate-Income Housing

- Prohibits more than 20% of a jurisdiction's share of RHNA for above moderate-income housing from being allocated to sites with zoning restricted to single-family.

Upzoning Near Transit/Single-Family Areas

AB 1279 (Bloom) High Resource Areas

- Requires HCD to determine “high-resource areas”, areas of high opportunity and low residential density not experiencing displacement or gentrification.
- By-right approval for up to 100 units and 55 ft, if the project meets affordability requirements and site limitations.

Upzoning Near Transit/Single-Family Areas

SB 4 (McGuire) Housing

- Requires up to fourplexes on vacant lots in single-family neighborhoods, by-right housing approvals, TOD heights one-story above existing heights; based on city population.

Upzoning Near Transit/Single-Family Areas

SB 50 (Wiener) More HOMES Act (Housing, Opportunity, Mobility, and Stability)

- Upzones around transit.
- Limits single-family only zoning.
- Increases density.
- Limits or eliminates parking requirements.
- Awards Density Bonus incentives.

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Upzoning Near Transit/Single-Family Areas

SB 330 (Skinner) Housing Crisis Act of 2019

Until Jan. 2030, a city may not:

- Downzone.
- Impose parking requirements.
- Increase impact fees.
- Apply any fees to affordable housing
- Impose a housing moratorium.
- Impose design standards that are more costly than those in effect in 2019.
- Establish a maximum number of conditional use permits.

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RDA/Tax Increment

AB 11 (Chiu) Community Redevelopment Law of 2019

- Would bring back a new form of redevelopment, similar to RDA prior to elimination.
- Unspecified amount of annual state funding.
- Extensive upfront planning and analysis before agency is approved or denied by the state.

RDA/Tax Increment

SB 5 (Beall) Local-State Investment Incentive Program

- Builds off of existing TIF tools - CRIA, EIFD, affordable housing authority, and transit village development district.
- Up to \$2 billion annual state investment.
- 50% of funds must support affordable housing.

Voting Thresholds

ACA 1 (Aguiar-Curry) Affordable Housing – Voter Approval

- Would reduce the voter approval requirement to 55% for affordable housing and public infrastructure bonds.

Voting Thresholds

SB 128 (Beall) Enhanced Infrastructure Financing Districts (EIFD)

- Would reduce the voter approval requirement to 55% for EIFD's to issue bonds.

Accessory Dwelling Units (ADU)

AB 68 (Ting) ADU

- Would make many changes to ADU law – would eliminate minimum lots size requirements, require at least 800sft ADU, require approve within 60 days.

AB 69 (Ting) ADU

- Would authorize HCD to submit findings to a local government as to whether or not their ordinance complies with the law.

Accessory Dwelling Units (ADU)

SB 13 (Wieckowski) ADU

- Spot bill.
- Likely to be similar to a measure from last year.
- Would prohibit impacts fees, school fees, other mitigation fees.

Tenant Protections

AB 36 (Bloom) Affordable Housing: Rental Price

- Spot bill.
- Likely to be the vehicle for some form of rent control.

Tenant Protections

AB 1110 (Friedman) Rent Increases: Noticing

- Expands existing notice requirements to 120 days if the rent increase is more than 15%.

Impact Fees

AB 1483 (Grayson) Zoning Standards and Fees: Reporting.

- Require all cities to compile a list of zoning and planning standards, fees imposed under the Mitigation Fee Act, special taxes, and assessments applicable to housing development.
- Must post on the city's website.
- Send list to HCD and MPO.

Impact Fees

AB 1484 (Grayson) Fees: Reporting.

- Prohibits a local agency from imposing a fee unless the type and amount of the exaction is identified on the agency's website.

Homelessness

AB 891 (Burke) Public Property: Safe Parking

- Requires jurisdictions with a population over 330,000 to establish a safe parking program for individuals and families living in their car.
- Program must be developed by 2022.

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What can you do?

- Get involved in the League, sign up for the App, sign up for CCA.
- Keep a lookout for League Action Alerts.
- Take action – Support/Oppose bills.
- Spread the word to your fellow council members.
- Engage the community.



Questions?