SPECIAL ORDER: State Budget and Issues Briefing for all policy committee members
10:00 – 10:45 a.m., Room 204, Sacramento Convention Center
Upon adjournment, individual policy committee meetings will begin

I. Welcome and Introductions – 10 mins

II. Public Comment – 10 mins

III. Legislative Agenda – 30 mins (Attachment A)
- AB 1771 (Bloom) Planning and Zoning: Regional Housing Needs Assessment

IV. November Ballot Measures – 90 mins (Attachment B)
- “The Affordable Housing Act” – Rental Control
  Sponsored by AIDS Healthcare Foundation
- “People’s Initiative to Protect Proposition 13 Savings” - Transfer of Property Tax Base to Replacement Property
  Sponsored by The California Association of Realtors

V. Legislative Update – 30 mins (Handout)
Speaker: Jason Rhine, League of California Cities

VI. FY 2018-19 State Budget Update – Homelessness Funding – 15 mins (Handout)
Speaker: Jason Rhine, League of California Cities

VII. Implementation of the Adult Use Marijuana Act – 40 mins
Speaker: Joe Devlin, City of Sacramento

VIII. SB 3 (Beall) Veterans and Affordable Housing Bond Update – 15 mins (Attachment C)
Speaker: Jason Rhine, League of California Cities

Next Meeting (tent.): Annual Conference, Long Beach, September 12
Staff will notify committee members after July 20th if the policy committee will be meeting in September.
1. AB 1771 (Bloom) Planning and Zoning: Regional Housing Needs Assessment

Bill Summary:
AB 1771 makes numerous changes to the regional housing needs allocation (RHNA) process including: plan objectives, methodology, distribution, and appeals process.

Bill Description:
Specifically, AB 1771 would do the following:

1. RHNA allocation plan changes:
   - Requires the RHNA allocation plan to further rather than be consistent with specified objectives;
   - Amends the existing objective that requires promoting an improved intraregional relationship between jobs and housing, to include an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction;
   - Amends the existing objective that requires allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, to include allocating a higher proportion of housing need to an income category when a jurisdiction already has a disproportionately low share of households in that income category;
   - Adds a new objective to increasing access to areas of high opportunity for lower-income residents, avoiding displacement and affirmatively furthering fair housing;
   - Defines “areas of high opportunity for lower-income residents” to mean areas that provide pathways to better lives; through health, education, and employment.

2. Methodology changes:
   - Amends the Council of Government’s (COG) existing methodology development requirement to include the following:
     - Expands the existing requirement that local governments provide the COG with data describing the jurisdiction’s existing and projected jobs and housing relationship, to include data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to workers at those wage levels, as well as how many jobs were added and at what wage levels compared to how many housing units were added and at what income levels in the last planning period;
     - Deletes the requirement to provide data on high housing cost burdens, and replaces it with a requirement to provide data on the percentage of existing households at each of the income levels that
are paying more than 30 percent and more than 50 percent of their income in rent;

- Adds a requirement to provide data on overcrowding.
- Requires the COG to submit the draft allocation methodology to HCD. Within 60 days, HCD shall determine whether or not the methodology furthers, and does not undermine, the objectives of the methodology;
- Following the receipt of HCD’s determination, the COG shall make any necessary changes and adopt a final regional housing need allocation methodology and provide notice of the adoption of the methodology to the jurisdictions within the region.

3. Requires each COG to distribute a draft allocation to each local government in the region based on the new methodology.
4. Allows a local government within the COG or HCD to appeal to the COG for a revision of the share of the regional housing need allocated to one or more local governments.
5. Allows local governments within the COD and HCD 45 days to comment on one or more appeals.
6. Requires the COG to conduct one public hearing to consider all appeals no later than 30 days after the close of the comment period after providing local governments in the region at least 21 days notice.
7. Requires the COG to specify how the request does not further the objectives, should the COG indicate that the proposed revision is inconsistent with the regional housing need.
8. Specifies that the final action may require the COG to adjust the allocation of one or more local governments that are not the subject of an appeal.
9. Requires that no later than 45 days after the public hearing the COG shall: (a) make a final determination that either accepts, rejects, or modifies each appeal for a revised share of the RNHA that includes written findings as to how the determination is necessary to further the objectives of state law; and (b) Issue a final allocation plan.
10. Deletes the authority of two local governments to agree to an alternative distribution of appealed housing allocations between the affected local governments.
11. States that nothing in this article shall be read to change a jurisdiction’s obligations, discretion, or flexibility under existing law related to the preparation and adoption of a housing element, nor shall it be read to compel a jurisdiction to take any one particular action that is not already required by law or prohibit a jurisdiction from taking any one particular action that is not already prohibited by law in implementing a housing element.

**Background:**
In the statutes that pertain to the development of a housing element, the state has declared the following:
• The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order;
• The provision of housing affordable to low and moderate income households requires the cooperation of all levels of government;
• Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.

Recognizing the need to address housing and growth issues in a regional context, the state established a regional housing needs allocation (RHNA) process, which determines existing and projected housing needs during the planning period for local government.

HCD, in consultation with each COG, determines the existing and projected housing needs for each region based on a demographic method that incorporates the Department of Finance’s population projections. The COG then determines each city’s “fair share” of that regional housing need. Each city’s share of the regional housing need is further distributed by each of the four income categories: very low income (0-50% of area median income); low income (51-80% of area median income); moderate (81-120% of area median income); and above moderate (121% plus of area median income).

Fiscal Impact:
Limited new costs for cities to gather additional information for submittal to COGs.

Existing League Policy:
Housing Element

Housing issues should be addressed in the general plan as other planning issues are. The housing element should be prepared for the benefit of local governments and should have equal status with the other elements of the general plan.

The projections of regional and local growth and the allocations of housing units should account for state and local planning factors and should be subject to a formal hearing and appeal process to ensure that they are realistic. Cities should be allowed to work together to allocate housing units among themselves within a subregion. Appeals should be heard by politically accountable officials at the state and regional levels. Allocated housing units are not a production requirement as cities do not construct housing.

Cities should focus their efforts on facilitating the production of below market rate housing units. Local government efforts should be subject to realistic performance standards, not to arbitrary state agency review of the housing element. Local government housing efforts should be rewarded by incentives. These incentives should
include streamlining by not being subject to the Department of Housing and Community Development review, priority ranking for discretionary funds, and new discretionary funds available for general fund purposes.

The League supports and encourages legislation that implements comprehensive reforms to the housing element process that:

- Address conflicts between local growth projections and state regional housing need numbers;
- Resolve the problems associated with the distribution of RHNA units within a council of government;
- Achieve improvements to the housing element review process;
- Develop a neutral dispute resolution process and fair enforcement alternatives to deal with disputes over questions of compliance;
- Require state laws and policies which affect housing and land use to be internally consistent;
- Establish additional legal protections to local agencies that approve affordable housing and that establish local pro-active affordable housing policies; and
- Authorize communities which achieve quantifiable affordable housing production levels to self-certify their housing elements without being subject to state review.

Comments:
Last year, the Legislature passed and the Governor signed a comprehensive 15 bill housing package that amended many of California's most important housing laws. One area of law that was not touched was the regional housing needs allocation (RHNA) process. Partly in response to years of no changes to RHNA, Assembly Member Bloom introduced AB 1771.

According to the author, "AB 1771 provides for a more equitable, data-driven distribution of the housing need within regions, ensures greater transparency in the distribution process, and provides additional oversight to ensure that the process furthers statutory objectives. The bill would improve the RHNA distribution process by:

- Adding avoiding displacement, increasing access to opportunity, and affirmatively furthering fair housing to the list of statutory objectives;
- Adding additional data points to the distribution methodology, including overcrowding rates;
- Restricting a COG’s ability to use other factors beyond those listed in statute;
- Requiring HCD to determine whether a COG’s distribution methodology is consistent with the law.

For years, the RHNA process has been criticized as more political than data driven. Others have argued that the methodology used to determine a cities “fair share” of housing need is out of touch with market forces and does not reflect actual demand.
It should be noted that the city of West Hollywood and the city of Santa Monica support AB 1771. They believe AB 1771 would more fairly distribute housing need to all jurisdictions in the same region.

Support-Opposition:

Support
California Rural Legal Assistance Foundation
Western Center on Law and Poverty
California Bicycle Coalition
California Housing Consortium
Non-Profit Housing Association of Northern California
American Planning Association (if amended)
City of West Hollywood
City of Santa Monica

Opposition:
California Association of Councils of Governments (unless amended)
California Building Industry Association (unless amended)

Staff Recommendation:
Staff recommends the committee discuss AB 1771 and determine a position.

Committee Recommendation:

Board Action:
1. “Affordable Housing Act” – Repeal of Costa-Hawkins: Rent Control (17-0041)

Initiative Summary:
The “Affordable Housing Act” (17-0041) would repeal the Costa-Hawkins Rental Housing Act and would allow a city to establish a locally developed rent control ordinance.

Bill Description:
Specifically, the “Affordable Housing Act” would:
- Repeal the Costa-Hawkins Rental Housing Act (Costa-Hawkins).
- Grant a city, county, or city and county the authority to adopt a local charter provision, ordinance, or regulation that governs a landlord’s right to establish and increase rental rates on dwelling or housing units.
- Clarifies that in accordance with California law, a landlord’s right to a fair rate of return on a property shall not be abridged by a city, county, or city and county.

Background:
Costa-Hawkins was enacted in 1995 and placed strict limits on a local government’s ability to impose rent control. While Costa-Hawkins did not completely prohibit locally adopted rental control measures, it imposed the following limitations:
- Provides that rental property owners may establish a new rental rate where the former tenant has voluntarily vacated or is lawfully evicted for cause. This is commonly referred to as vacancy decontrol.
- Housing constructed after February 1, 1995 must be exempt from rent control.
- Housing that was already exempt from a local rent control law in place on or before February 1, 1995, pursuant to an exemption for new construction, must remain exempt. This prohibited cities with existing rent control policies at the time of the Act’s passage from expanding their policies, usually meaning units built after the late 1970s can not be covered by rent control.
- Exempts from rent control single family homes and other units, such as condominiums, that are separate from the title to any other dwelling units, where the tenancy began on or after January 1, 1996.

The following fifteen cities have rent control: Berkeley, Beverly Hills, East Palo Alto, Hayward, Los Angeles, Los Gatos, Oakland, Palm Springs, San Francisco, San Jose, Santa Monica, West Hollywood, Alameda, Mountain View, Richmond.

Fiscal Impact:
Only cities seeking to establish rent control would incur costs. These costs would be associated with the development and enforcement of the rent control ordinance.

Existing League Policy:
Rent Control

The League opposes legislation that restricts the ability of cities to enact rent control ordinances for mobile homes and stick-built housing that are tailored to meet local conditions and circumstances.

The League opposes legislation that would require a city to adopt a mobile home rent control ordinance.

Comments:
*What do the supporters and opponents think about rent control?*
Supporters believe that the repeal of Costa-Hawkins would return decision-making on rent control to the local level, as local governments and voters should be allowed to assess local conditions and fashion rules appropriate to their location. They point to the recent local ballot initiatives, some of which passed and others failed, as an example of how each local government is unique and should be allowed to decide what, if any, rent control protections are needed. Housing costs in this state are skyrocketing, and local governments need the authority to protect tenants.

Opponents believe that the repeal of Costa-Hawkins would spread "extreme" (i.e., vacancy control) rent control throughout the state and, as a result, deter new construction of rental units, diminish the quality of housing, and cause landlords to withdraw their units from the rental market. Opponents argue that people who were not intended to be the beneficiaries of rent control, such as middle- and upper-class professionals, benefit the most; they stay for extended periods of time in the units, forcing low-income renters into higher-priced, distant housing, further away from their jobs and schools.

*What do academics think about rent control?*
As you may expect, scholars disagree on the impacts of rent control. Economists, both liberal and conservative, generally agree that rent control is not the best policy. According to a poll, from 2012, of economists only 2% believed that local ordinances that limit rent increases for some rental housing units, such as in New York and San Francisco, have had a positive impact over the past three decades on the amount and quality of broadly affordable rental housing in cities that have used them.

Experts in other fields such as urban planners and those that study gentrification and displacement believe that rent control can have a positive effect on keeping long-time residents in the community.

*What does the Legislative Analyst’s Office have to say about rent control?*
Housing Shortage Also Creates Problems for Rent Control Policies. The state’s shortage of housing also presents challenges for expanding rent control policies. Proposals to expand rent control often focus on two broad changes: (1) expanding the number of housing units covered—by applying controls to newer properties or enacting controls in locations that currently lack them—and (2) prohibiting landlords from
resetting rents to market rates for new tenants. Neither of these changes would increase the supply of housing and, in fact, would likely discourage new construction. Households looking to move to California or within California would therefore continue to face stiff competition for limited housing, making it difficult for them to secure housing that they can afford. Requiring landlords to charge new tenants below-market rents would not eliminate this competition. Households would have to compete based on factors other than how much they are willing to pay. Landlords might decide between tenants based on their income, creditworthiness, or socioeconomic status, likely to the benefit of more affluent renters.

**Key considerations**
- The “Affordable Housing Act” would not only repeal the Costa-Hawkins Rental Housing Act, but also reinstate full local control as it pertains to the development of a rent control policy.
- Cities would have the ability to tailor their rent control ordinance to the ends of the local community.
- The “Affordable Housing Act” does not mandate that cities establish rent control.
- The “Affordable Housing Act” is consistent with existing League policy.

**Support-Opposition:**

**Support**
According to the “Affordable Housing Act” campaign website, the following are in support:

- ACLU-Southern California
- AIDS Healthcare Foundation
- Affordable Housing Network of Santa Clara County
- AFSCME 3299
- AFT Local 2121
- AFT Local 1521
- Alameda Renter’s Coalition
- Alliance of Californians for Community Empowerment-State (ACCE Action)
- Allies for Life
- APAIT (Special Service for Groups)
- API Equality - LA
- Arcata Lazy J Homeowners Association
- Asian Law Alliance
- Asian Pacific Environmental Network (APEN)
- Associated Students of UC Santa Barbara
- Bend the Arc - Southern California
- Black Community Clergy & Labor Alliance
- California Association of Retired Americans (CARA)
- California Calls
- California Nurses Association
- California Partnership
- CAUSE
- Center for Community Action & Environmental Justice
- Chinatown Community for Equitable Development
- Clergy & Laity United for Economic Justice - Los Angeles (CLUE)
- Coalition for Humane Immigrant Rights
- Coalition for Humane Immigrant Rights
- Los Angeles (CHIRLA)
- Creating Freedom Movements
- Crenshaw Subway Coalition
- Democratic Socialists of America, Los Angeles
- Democratic Socialists of America, East Bay
- Democratic Socialists of America, Orange County
Democratic Socialists of America, Sacramento
Democratic Socialists of America, San Francisco
Dellums Institute for Social Justice
East Area Progressive Dems
Ensuring Opportunity Campaign to End Poverty in Contra Costa County
Equity Housing Alliance
Eviction Defense Network
Gamaliel CA
Glendale Tenants Union
Golden State Manufactured-Home Owners League (GSMOL)
Ground Game LA
Harvey Milk LGBT Democratic Club
Homeless Student Advocate Alliance
Housing Long Beach
Housing Now!
Housing Rights Committee San Francisco
Hunger Action Coalition Los Angeles
Hyde Park Organizational Partnership for Empowerment
Inland Empire for Our Revolution
Inland Empire United
Inland Empowerment
Inner City Law Center LA
InnerCity Struggle
International Socialist Organization
Inquilinos Unidos
Isla Vista Tenants Union
Jobs With Justice San Francisco
Justice House
Kenwood Oakland Community Organization
Koreatown Immigrant Workers Alliance (KIWA)
LA Center for Community Law & Action
LA VOICE (PICO Affiliate)
Law Foundation of Silicon Valley
Leadership Counsel for Justice and Accountability Central Valley
Los Angeles Alliance for a New Economy (LAANE)

Los Angeles Community Action Network (LACAN)
Los Angeles Tenants Union
Manufactured Housing Action (MH Action)
Million Voter Project
Mission Economic Development Agency (MEDA)
Mobilize the Immigrant Vote
Napa County Green Party
North Bay Organizing Project
Oakland Education Association (OEAA)
Oakland Tenants Union
Orange County Civic Engagement Table
Organize Sacramento
People Acting in Community Together - PACT San Jose (PICO Affiliate)
Painters & Allied Trades 36
Pasadenans Organizing for Progress
Pasadena Tenants Union
People of Color Sustainable Housing Network
People Organized for Westside Renewal (POWER)
PICO California
Places in the City
PolicyLink
Pomona Economic Opportunity Center
Progressive Alliance (San Bernardino County)
Progressive Asian Network for Action (PANA)
Public Advocates
Richmond Progressive Alliance
Rubicon
RYSE Youth Center
San Bernardino Young Democrats
San Diego Central Committee of the Peace and Freedom Party of CA
San Francisco Anti-Displacement Coalition
San Francisco Tenants Union
SCOPE
Senior and Disability Action
Silicon Valley De-Bug
Sojourner Truth Presbyterian Church
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<th>Solidarity - Bay Area</th>
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<td>Southern Christian Leadership</td>
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<td>Conference-Southern California</td>
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<td>Strategic Actions for a Just Economy (SAJE)</td>
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<td>Tenants Together</td>
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<td>Thai Community Development Center</td>
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<td>The East Oakland Collective</td>
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<td>UC Berkeley Young Democratic Socialists of America (YDSA)</td>
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<td>United for Housing Justice (SF)</td>
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<td>United Teachers of Los Angeles (UTLA)</td>
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<td>Urban Habitat</td>
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<td>Venice Community Housing Corporation</td>
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<td>Warehouse Worker Resource Center</td>
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<td>Wellstone Democratic Renewal Club</td>
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**Opposition:**
I was unable to find an opposition list for the “Affordable Housing Act”. However, the following opposed AB 1506 (Bloom), which is very similar to the initiative:

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<th>Action Apartment Association, Inc.</th>
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<td>Apartment Association, California</td>
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<td>Southern Cities</td>
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<td>Apartment Association of Greater Los Angeles</td>
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<td>Apartment Association of Orange County</td>
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<td>Better Housing for Long Beach BizFed</td>
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<td>California Apartment Association</td>
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<td>California Association of Realtors</td>
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<td>California Building Industry Association</td>
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<td>California Business Properties Association</td>
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<td>Civil Justice Association of California</td>
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<td>East Bay Rental Housing Association</td>
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<td>Federation of CA Builders Exchanges</td>
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<td>Howard Jarvis Taxpayers Association</td>
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<td>Legacy Partners</td>
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<td>Michael Millman &amp; Associates</td>
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<td>National Rental Home Council</td>
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<td>North Valley Property Owners Association</td>
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<td>Orange County Business Council</td>
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<td>San Diego County Apartment Association</td>
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<td>Santa Barbara Rental Property Association</td>
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<td>The SPOSF Institute</td>
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<td>United Chambers of Commerce - San Fernando Valley</td>
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<td>Western Manufactured Housing Communities Association</td>
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**Staff Recommendation: Support**
Staff recommends the committee support the “Affordable Housing Act.” “The Affordable Housing Act” is consistent with the League’s mission statement - To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians. Additionally, the initiative is consistent with existing League policy.

**Committee Recommendation:**

**Board Action:**

2. **People’s Initiative to Protect Prop. 13 Savings (17-0013A1)**

**Initiative Summary:**
The California Constitution offers a one-time property tax saving opportunity for four categories of homeowners (those over 55 years old, the severely disabled, individuals displaced by a natural disaster, or moving from contaminated housing) who move to another home. All of these individuals have the ability to transfer their Proposition 13 property tax base-year value from their current dwelling to a replacement dwelling of equal or lesser value within the same county. Transfers to other counties are prohibited unless the county agrees to allow such transfers.

This measure (17-0013A1) sponsored by the California Association of Realtors® and eligible for the November ballot would, beginning January 1, 2019, expand this property tax break for these “qualified” individuals in the following ways:

- Reducing the taxes, per a specified formula, below the existing Prop. 13 base-year value for those who move to a dwelling of equal or lesser value.
- Providing a tax break, per specified formula, when the move is to a replacement dwelling of a greater value.
- Allow such transfers to all counties.
- Allow individuals to use such transfers multiple times.

- **Formula applicable to moving to a home of equal or lesser value:** (Prop 13 base year of original property / full cash value of original property x full cash value of replacement property. For the purposes of this example:
  - **Full Cash Value of Replacement Property = $300,000**
  - **Full Cash Value of Original Property = $600,000**
  - **Base Year Value of Original Property = $100,000**

  \[
  \frac{100,000}{600,000} = .167 \times 300,000 = 50,000.
  \]

  In this case, a qualified homeowner who transfers their base-year of $100,000 to a replacement property, would reduce their base-year to $50,000.

- **Formula applicable to moving to a home of greater value:** (full cash value of replacement property – full cash value of original property + Prop. 13 base-year of original property. For the purposes of this example:
  - **Full Cash Value of Replacement Property = $1,000,000**
  - **Full Cash Value of Original Property = $600,000**
  - **Base Year Value of Original Property = $100,000**
$1,000,000 - $600,000 = $400,000 + $100,000 = $500,000. In this case, a homeowner moving to a more expensive home would pay half of the amount they would otherwise pay in property taxes.

Background
Property taxes are a major revenue source for local governments, raising nearly $60 billion annually. Although the state receives no property tax revenue, property tax collections also affect the state’s budget, because state law guarantees schools and community colleges (schools) a minimum amount of funding each year through a combination of property taxes and state funds. If property taxes received by schools decrease, state funding generally must increase.

Proposition 13 of 1978 capped local property taxes levied by cities, counties, schools, and special districts at 1 percent of full cash value which is based on the full cash value at the time a property is sold. The sale of the property establishes a base-year, and the property tax assessment cannot increase by more than 2 percent annually. Since home values often increase by more than 2 percent annually, homeowners and other property owners receive an additional benefit when they hold their properties for a longer period. Examples of these scenarios can be drastic in regions like the Bay Area where homes purchased years ago for $100,000 are now valued in the millions.

While Prop. 13’s one-percent cap on property taxes is already considered a good deal for homeowners compared to tax levels in other states, the Constitution provides additional benefits to seniors over 55 years old, the severely disabled, individuals displaced by a natural disaster or from contaminated dwellings by allowing them to transfer their Proposition 13 property tax base-year value of their current dwelling to a replacement dwelling of equal or lesser value. Such transfers are limited to the same county. Transfers to other counties are prohibited unless the county agrees to allow such transfers, and such decisions by counties are made in consultation with local government agencies that would be impacted such as cities and school districts.

The policy rationale behind this subsidy is to assist seniors looking to downsize because they are retiring and living on lower incomes, assist the disabled and others who have had homes destroyed by disaster or had to move from a contaminated property. The policy rationale in letting counties decide whether to accept out-of-county transfers is in recognition of the potential financial impacts on “destination” counties where retirees may move to because local services, including medical, library, parks, and other services that support retirees, must be paid for. Currently, 11 counties (Alameda, El Dorado, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, Santa Clara, Tuolumne, and Ventura) allow these transfers. Whether within a county or across counties, a homeowner can transfer their assessed value only once in their lifetime.
According to the Legislative Analyst’s Office (LAO) some research suggests that the existing property tax benefit does affect the timing of when seniors may move. For example, California homeowners who were 55 years old were around 20 percent more likely to move in 2014 than 54-year-old homeowners. This suggests that some homeowners who were interested in moving delayed doing so to avoid paying higher property taxes.

Some cities and counties also impose taxes on the transfer of homes and other real estate. These transfer taxes are based on the value of the property being transferred. Transfer taxes are equal to $1.10 per $1,000 of property value in most locations but exceed $20 per $1,000 of property in some cities. Statewide, transfer taxes raise around $1.1 billion for cities and counties.

**Fiscal Impact:**
The LAO reports that the initiative would likely change the number of homes bought and sold each year by encouraging more older homeowners to sell their existing homes and buy other homes. In recent years, between 350,000 and 450,000 homes have sold each year in California. Under the measure, home sales could increase by as much as tens of thousands per year.

The LAO projects—that while the reassessments from more homes sold could offset some impacts—overall property taxes would decrease for local governments. In the first few years, property tax losses would be a few hundred million dollars per year, with schools and other local governments (cities, counties, and special districts) each losing around $150 million annually. Over time these losses would grow, likely reaching between $1 billion to a few billion dollars per year (in today’s dollars) in the long term, with schools and other local governments each losing $1 billion or more annually.

This measure will also likely have disparate impacts on cities depending on where seniors move to. For instance, Bay Area local governments would benefit when seniors sell their homes, but cities that are retiree destinations would receive less revenue than otherwise. Since there are no income restrictions on this subsidy and seniors are free to also buy more expensive homes, wealthier enclaves could be affected as well.

https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Legislative-Resources/Property-Tax-Assessment-LAO-Analysis.aspx

**Existing League Policy:**
Over recent years the League has joined with the California State Association of Counties in opposing similar proposals to this one when they have been proposed in the Legislature, primarily out of a concern for the impacts on local revenue.

Related League Revenue and Taxation policies and principles include:
- Additional revenue is required in the state/local revenue structure. There is not enough money generated by the current system or allocated to the local level by
the current system to meet the requirements of a growing population and deteriorating services and facilities.

- Meaningful fiscal reform should allow each level of government to adequately finance its service responsibilities, with each being accountable to taxpayers for its own programs.

- Cities require a greater share of the property tax and other reliable, discretionary revenues in order to finance local services to property.

- Counties require additional funding if they are to fulfill their state-mandated and traditional roles.

Related League Housing, Community and Economic Development policy:

- Support the establishment of a secure, balanced, and discretionary local revenue base necessary to provide the full range of needed services and quality land use decisions.

Comments:

- The California Association of Realtors®, the sponsor of this measure, which they describe as the “Property Tax Fairness Initiative,” advocates that existing law results in the following problems:
  - Seniors cannot afford to move, because they would face increases in their property taxes compared to what they currently pay.
  - Many disabled people are trapped in inadequate homes and efforts to move to a more suitable property are often impossible due to the prospect of paying increased property taxes.
  - Disaster victims are penalized when they seek to move out of their disaster-stricken county, because many counties have opted to not accept out-of-county transfers.
  - The existing process results arbitrary and limited property tax protections from a confusing patchwork of county laws (where only 11 out of 58 counties have opted to accept out-of-county transfers).

The Realtors® maintain that is measure will produce the following benefits:
  - Seniors will have the freedom to downsize and move closer to family.
  - The severely disabled can move to more practical homes.
Disaster victims will have an opportunity to move anywhere in the state.

Additional policy benefits include:

- Unlocking the existing housing market by providing more opportunities for home ownership when seniors and others sell their existing properties.
- Increased property taxes to jurisdictions where the properties are sold.
- Increased economic activity and additional local revenue triggered by other actions that occur in conjunction with a home sale, including additional household spending like building renovations, new furniture, carpeting and other purchases.

See Full Fact Sheet Attached:  [https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Legislative-Resources/Fact-Sheet-8_V1-4-(002).aspx](https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Legislative-Resources/Fact-Sheet-8_V1-4-(002).aspx)

- Opponents to this measure, include the California State Association of Counties (CSAC). CSAC is concerned about the significant revenue losses for local governments and the removal of the existing county choice to accept out-of-county transfers. The fact that only 11 out of 58 counties have opted to allow transfers from other counties reflects existing concerns for protecting local revenue, including city revenue, within those counties. This measure not only removes the existing county option, it would significantly expand the financial impact resulting in up to $2 billion in annual losses for local agencies.

- The policy argument that likely resonates the most with this proposal is whether it would help free up housing stock by providing additional incentives to seniors to sell and move. This proposal will likely trigger some activity, but how much it tips the balance is debatable. It’s also debatable whether it is worth $2 billion annually in local revenue to find out. In today’s tight housing market, having more homes for sale may moderate price increases in areas where seniors are selling, but perhaps increase prices in areas where seniors are moving to. Since this incentive is not limited to lower income individuals or those seeking to downsize it could create additional challenges for first-time homebuyers who may be competing with seniors able to make cash offers with accumulated equity and have an additional advantage of paying lower property taxes.

- When the League has opposed similar proposals in the Legislature, the following additional policy arguments were made:
- Prop. 13 already gives all Californian’s a significant property tax break by capping property taxes at one percent of assessed value. Thirty-three other states have higher property tax levels. Also, most other states also annually reassess property values, but in California increases cannot exceed two percent.

- Local governments already do not receive enough property tax revenue from housing to offset service costs, this would make it even harder for housing to “pencil out” for cities.

- The existing tax break that is provided to seniors is appropriately targeted to those looking to downsize to a dwelling of equivalent or lesser value. This measure would give tax incentives to wealthier individuals looking to buy more expensive homes; such activity should not be subsidized by other taxpayers. Furthermore, it is unclear why an individual who is already eligible to move their property tax base year to another dwelling of equal or lesser value should be allowed to “double down” and receive an additional discount per the new formula in this measure; such changes expand inequities among taxpayers.

- Property taxes are not the only financial reason affecting a decision to move. Other costs associated with selling and buying property need to be factored in. Property tax is capped at one percent of home value, but Realtor fees associated with the same transaction average six times that (six percent).

- Legislative Discussions: There are currently ongoing discussions in the Legislature over whether an alternative measure can be negotiated. June 28 is the deadline for the Legislature to place measures on the ballot.

**Support-Opposition: (as of 06/04/2018):**

**Support:** Major organizations supporting include: California Association of Realtors (Sponsor), The African American Farmers of California, American Legion - Department of California, California Chamber of Commerce, Californians for Disability Rights, Inc. CDR, California Senior Advocates League, Howard Jarvis Taxpayers Association, Latin Business Association, National Guard Association of California, Nisei Farmers League. For a full list of endorsing organizations and individuals see [HERE](#).

**Opposition:** California State Association of Counties, California Professional Firefighters, California Special Districts Association (League staff was unable to confirm other opponents).

**Staff Recommendation:** Opposition
League policy is to protect local revenue, and the League has opposed similar proposals when they were introduced in the Legislature. Per the Legislative Analyst’s
analysis this measure could result in annual losses for local agencies of up to $2 billion annually. All California homeowners already receive a significant tax break from Prop. 13, and the existing property tax reduction for seniors and other qualified individuals when they move to a dwelling of equal or lesser value is appropriately targeted.

Committee Recommendation:

Board Action:
October 20, 2017

Ashley Johansson, Initiative Coordinator
Office of the Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Re: Request for Preparation of Title and Summary

Dear Ms. Johansson:

We are the proponents of the enclosed initiative measure, which is entitled “Affordable Housing Act.” Pursuant to article II, section 10(d), of the California Constitution and section 9001 of the California Elections Code, we hereby request the preparation of a circulating title and summary of the chief purposes and points of the proposed measure. Enclosed is a check for $2,000 made payable to the State of California. Also enclosed are the signed statements required by Elections Code sections 9001(b) and 9608. We request that our residence addresses be kept confidential following verification of our status as registered voters.

You are hereby authorized and requested to direct all further inquiries and correspondence regarding this proposed measure to the following persons:

Fredric D. Woocher, Esq.
Beverly Grossman Palmer, Esq.
Strumwasser & Woocher LLP
10940 Wilshire Boulevard, Suite 2000
Los Angeles, California 90024
fwoocher@strumwooch.com
bpalmer@strumwooch.com
(310) 576-1233

Sincerely,

Michael Weinstein
Elena Popp
Christina Livingston

By

Michael Weinstein
October 20, 2017

Ashley Johansson, Initiative Coordinator
Office of the Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

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October 20, 2017

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Sincerely,

Michael Weinstein
Elena Popp
Christina Livingston

By

Christina Livingston
Affordable Housing Act

The People of the State of California do hereby ordain as follows:

Section 1. Title.

This Act shall be known and may be cited as “Affordable Housing Act.”

Section 2. Findings and Declarations.

The People of the State of California hereby find and declare all of the following:

a) Rents for housing have skyrocketed in recent years. Median rents are higher in California than any other state in the country, and among all 50 states, California has the 4th highest increase in rents.

b) Research by Apartment List indicates that the median rent for a one-bedroom apartment in California is $1,410, an increase of 4.5% in just one year. A one-bedroom apartment in Los Angeles costs $1,350 per month. In San Francisco, it costs $2,450. In San Diego, the cost is $1,560.

c) The federal government has concluded that rent is not affordable if renters spend more than 30% of their income on housing costs. The State of California has found that more than half of California renter households (3 million) pay more than 30% and one-third of renter households (over 1.5 million) pay more than 50% of their income toward rent.

d) According to the National Low Income Housing Coalition, a Californian earning minimum wage would have to work 92 hours per week in order to afford to rent an average one-bedroom apartment.

e) More Californians (5.8 million households) are renting than ever before, because overall home ownership rates in California have fallen to their lowest level since the 1940s, according to the state. One quarter of older millennials (25-34 years of age) still live with their parents. (U.S. Census Bureau)

f) Statewide labor unions, such as California Nurses Association, Service Employees International Union and the California Teachers Association, have made affordable housing a priority for their members. For example, teachers in California’s urban centers are paying 40% to 70% of their salaries on housing and many are being forced to live an hour or more from their jobs in order to afford a home.

g) Three times as many Californians are living in overcrowded apartments as compared to the U.S. as a whole. (U.S. Census Bureau)
h) Even though the state represents only 12% of the total U.S. population, California is home to 22% of the nation's homeless population. (California Department of Housing and Community Development)

i) Homelessness is a major public health issue. People who are homeless are 3 to 4 times more likely to die prematurely and are more likely to have a communicable disease, according to the National Health Care for the Homeless Council.

j) The Centers for Disease Control and Prevention warn that vulnerable populations face lower life expectancy, higher cancer rates and more birth defects when their homes are displaced due to the gentrification of their neighborhoods.

k) The increased cost of housing is worsening traffic congestion and harming the environment by forcing commuters to live farther away from their places of employment and increasing commute times. A report by the Pew Charitable Trust noted that the number of Californians who commute more than 90 minutes each way increased by 40% between 2010 and 2015; the increase is a direct result of the dearth of affordable housing near jobs.

l) A major factor in California's housing crisis is a 20-year-old law known as the Costa-Hawkins Rental Housing Act. Costa-Hawkins gives permission to landlords of residential apartments and houses to raise rents as much as they want in buildings built after 1995; despite local laws that would otherwise prohibit such increases, landlords in Los Angeles can raise rents as much as they want on buildings built after 1978 and in San Francisco, on buildings built after 1979.

m) Costa-Hawkins also allows a landlord to raise the rent in any building built before 1995 to the market value when it becomes vacant, and lets the landlord decide what market value is.

n) Costa-Hawkins prevents cities from implementing laws that keep rents affordable for their residents.

Section 3. Purposes and Intent.

The People of the State of California hereby declare the following purposes and intent in enacting this Act:

a) To restore authority to California's cities and counties to develop and implement local policies that ensure renters are able to find and afford decent housing in their jurisdictions.

b) To improve the quality of life for millions of California renters and reduce the number of Californians who face critical housing challenges and homelessness.

c) To repeal the Costa-Hawkins Rental Housing Act.
Section 4. Affordable Housing Act shall be codified by repealing the following sections of the Civil Code:

Sections 1954.50, 1954.51, 1954.52 and 1954.53 of Chapter 2.7 of Title 5 of Part 4 of Division 3 of the Civil Code are repealed.

Section 5. Affordable Housing Act shall be further codified by adding the following section to the Civil Code:

Section 1954.54. (a) A city, county, or city and county shall have the authority to adopt a local charter provision, ordinance or regulation that governs a landlord’s right to establish and increase rental rates on a dwelling or housing unit.
(b) In accordance with California law, a landlord's right to a fair rate of return on a property shall not be abridged by a city, county, or city and county.

Section 6. Liberal Construction

This Act shall be broadly construed to accomplish its purposes.

Section 7. Amendment and Repeal

Pursuant to Article II, Section 10, Subdivision (c), of the California Constitution, the Legislature may amend this Act to further its purposes by a statute passed in each house by roll call vote entered in the Journal, two-thirds of the membership concurring, signed by the Governor. No statute restricting or eliminating the powers that have been restored by this Act to a city, county, or city and county to establish residential rental rates shall become effective unless approved by a majority of the electorate.

Section 8. Severability

If any provision of this Act or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 9. Conflicting Measures

In the event that this Act and any other measure addressing the authority of local government agencies to establish residential rental rates shall appear on the same statewide election ballot, the provision of the other measure or measures shall be deemed to be in conflict with this Act. In the event that this Act receives a greater number of affirmative votes than another measure deemed to be in conflict with it, the provisions of this Act shall prevail in their entirety, and the other measure or measures shall be null and void.
Section 10. Legal Defense

Notwithstanding any other provision of law, if the State, a government agency, or any of its officials fail to defend the constitutionality of this Act, following its approval by the voters, the proponents shall have the authority to intervene in any court action challenging the constitutionality of this Act for the purpose of defending its constitutionality, whether in state or federal court, and whether such action is in any trial court, on appeal, or on discretionary review by the Supreme Court of California or the Supreme Court of the United States. The reasonable fees and costs of defending the action shall be a charge on funds appropriated to the California Department of Justice, which shall be satisfied promptly.

Section 11. Effective Date

Except as otherwise provided herein, this Act shall become effective the day after its approval by the voters.
August 9, 2017

Ashley Johansson, Initiative Coordinator
Office of the Attorney General
1300 I Street, 17th Floor
Sacramento, CA 95814

Re: People's Initiative to Protect Proposition 13 Savings, Version 3 (17-0013)

Dear Ms. Johansson:

When we met with representatives of the Legislative Analyst's Office to discuss the fiscal analysis of the initiative that has been submitted by the California Association of REALTORS®, they identified an error in the initiative as drafted by Legislative Counsel.

The initiative specifies the method for calculating the base year value of the replacement property if the full cash value of the replacement property is equal to or less than the full cash value of the original property. The formula erroneously refers to "replacement" property when it should have referred to "original" property. The enclosed copy of Version 3 has been corrected; the correction is highlighted in yellow.

I respectfully request that the Attorney General prepare a title and summary for the amended language.

If you have any questions, please contact Christopher C. Carlisle, 1121 L Street, Suite 600, Sacramento, CA 95814; (916) 492-5200.

Sincerely,

Alexander E. Creel
Senior Vice-President Governmental Affairs

Enclosure
VERSION 3; with amendments

SECTION 1. This act shall be known, and shall be cited, as the People’s Initiative to Protect Proposition 13 Savings.

SECTION 2. Section 2 of Article XIII A of the State Constitution is amended to read:

SEC. 2. (a) (1) The “full cash value” means the county assessor’s valuation of real property as shown on the 1975-76 tax bill under “full cash value” or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. All real property not already assessed up to the 1975-76 full cash value may be reassessed to reflect that valuation. For purposes of this section, “newly constructed” does not include real property that is reconstructed after a disaster, as declared by the Governor, where the fair market value of the real property, as reconstructed, is comparable to its fair market value prior to the disaster. For purposes of this section, the term “newly constructed” does not include that portion of an existing structure that consists of the construction or reconstruction of seismic retrofitting components, as defined by the Legislature.

However, the

(2) On and after November 5, 1986, and until January 1, 2019, the Legislature may provide that, under appropriate circumstances and pursuant to definitions and procedures established by the Legislature, any person over the age of 55 years who resides in property that is eligible for the homeowner’s exemption under subdivision (k) of Section 3 of Article XIII and any implementing legislation may transfer the base year value of the property entitled to exemption, with the adjustments authorized by subdivision (b), to any replacement dwelling of equal or lesser value located within the same county and purchased or newly constructed by that person as his or her principal residence within two years of the sale of the original property. For

(3) (A) For purposes of this section, “any the following definitions shall apply:
(i) “Any person over the age of 55 years” includes a married couple one member of which is over the age of 55 years. For purposes of this section, “replacement dwelling” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, and any land on which it may be situated. For purposes of this section, a two-dwelling unit shall be considered as two separate single-family dwellings. This paragraph shall apply to any replacement dwelling that was purchased or newly constructed on or after November 5, 1986.

In addition, the

(4) On and after November 9, 1988, and until January 1, 2019, the Legislature may authorize each county board of supervisors, after consultation with the local affected agencies within the county’s boundaries, to adopt an ordinance making the provisions of this subdivision relating to transfer of base year value also applicable to situations in which the replacement dwellings are located in that county and the original properties are located in another county within this State. For purposes of this paragraph, “local affected agency” means any city, special district, school district, or community college district that receives an annual property tax revenue allocation. This paragraph applies to any replacement dwelling that was purchased or newly constructed on or after the date the county adopted the provisions of this subdivision relating to transfer of base year value, but does not apply to any replacement dwelling that was purchased or newly constructed before November 9, 1988.

The legislature may extend the provisions of this subdivision relating to the transfer of base year values from original properties to replacement dwellings of homeowners over the age of 55 years to severely disabled homeowners, but only with respect to those replacement dwellings purchased or newly constructed on or after the effective date.
(6) (A) On and after January 1, 2019, subject to applicable procedures and definitions as provided by statute, the base year value of property that is eligible for the homeowner’s exemption under subdivision (k) of Section 3 of Article XIII of any person over 55 years of age or any severely disabled homeowner shall be transferred to any replacement dwelling, regardless of the number of prior transfers, the value of the replacement dwelling or whether the replacement dwelling is located within the same county, that is purchased or newly constructed by that person as his or her principal residence within two years of the sale of the original property.

(B) For purposes of this paragraph, the following shall apply:

(i) For any replacement dwelling of greater value and purchased or newly constructed by a person eligible to transfer the base year value of his or her original property, the base year value of the replacement dwelling shall be calculated by adding the difference between the full cash value of the original property and the full cash value of the replacement dwelling to the base year value of the original property.

(ii) For any replacement dwelling of equal or lesser value purchased or newly constructed by a person eligible to transfer the base year value of his or her original property, the base year value of the replacement dwelling shall be calculated by dividing the base year value of the original property by the full cash value of the original property, and multiplying the result by the full cash value of the replacement dwelling.

(b) The full cash value base may reflect from year to year the inflationary rate not to exceed 2 percent for any given year or reduction as shown in the consumer price index or comparable data for the area under taxing jurisdiction, or may be reduced to reflect substantial damage, destruction, or other factors causing a decline in value.

(c) For purposes of subdivision (a), the Legislature may provide that the term “newly constructed” does not include any of the following:
(1) The construction or addition of any active solar energy system.

(2) The construction or installation of any fire sprinkler system, other fire extinguishing system, fire detection system, or fire-related egress improvement, as defined by the Legislature, that is constructed or installed after the effective date of this paragraph.

(3) The construction, installation, or modification on or after the effective date of this paragraph of any portion or structural component of a single- or multiple-family dwelling that is eligible for the homeowner's exemption if the construction, installation, or modification is for the purpose of making the dwelling more accessible to a severely disabled person.

(4) The construction, installation, removal, or modification on or after the effective date of this paragraph of any portion or structural component of an existing building or structure if the construction, installation, removal, or modification is for the purpose of making the building more accessible to, or more usable by, a disabled person.

(d) For purposes of this section, the term "change in ownership" does not include the acquisition of real property as a replacement for comparable property if the person acquiring the real property has been displaced from the property replaced by eminent domain proceedings, by acquisition by a public entity, or governmental action that has resulted in a judgment of inverse condemnation. The real property acquired shall be deemed comparable to the property replaced if it is similar in size, utility, and function, or if it conforms to state regulations defined by the Legislature governing the relocation of persons displaced by governmental actions. This subdivision applies to any property acquired after March 1, 1975, but affects only those assessments of that property that occur after the provisions of this subdivision take effect.

(e) (1) Notwithstanding any other provision of this section, the Legislature shall provide that the base year value of property that is substantially damaged or destroyed by a disaster, as declared by the Governor, may be
transferred to comparable property within the same county that is acquired or newly constructed as a replacement for the substantially damaged or destroyed property.

(2)

(B) Except as provided in paragraph (3), subparagraph (C), this subdivision paragraph applies to any comparable replacement property acquired or newly constructed on or after July 1, 1985, until January 1, 2019, and to the determination of base year values for the 1985–86 fiscal year and fiscal years thereafter, until the 2018–19 fiscal year.

(3)

(C) (i) In addition to the transfer of base year value of property within the same county that is permitted by paragraph (1), subparagraph (A), the Legislature may authorize each county board of supervisors to adopt, after consultation with affected local agencies within the county, an ordinance allowing the transfer of the base year value of property that is located within another county in the State and is substantially damaged or destroyed by a disaster, as declared by the Governor, to comparable replacement property of equal or lesser value that is located within the adopting county and is acquired or newly constructed within three years of the substantial damage or destruction of the original property as a replacement for that property. The scope and amount of the benefit provided to a property owner by the transfer of base year value of property pursuant to this paragraph shall not exceed the scope and amount of the benefit provided to a property owner by the transfer of base year value of property pursuant to subdivision (a). For purposes of this paragraph, subparagraph, “affected local agency” means any city, special district, school district, or community college district that receives an annual allocation of ad valorem property tax revenues. This paragraph

(ii) This subparagraph applies to any comparable replacement property that is acquired or newly constructed as a replacement for property substantially destroyed or damaged by a disaster, as declared by the Governor.
damaged or destroyed by a disaster, as declared by the Governor, occurring on or after October 20, 1991, and before January 1, 2019, and to the determination of base year values for the 1991–92 fiscal year and fiscal years thereafter, until the 2018–19 fiscal year.

(2) (A) Notwithstanding any other provision of this section, on and after January 1, 2019, the base year value of property that is substantially damaged or destroyed by a disaster, as declared by the Governor, shall be transferred to any property that is acquired or newly constructed as a replacement for the substantially damaged or destroyed property, regardless of whether that replacement property is comparable, as specified in paragraph (2) of subdivision (f), or whether the replacement property is located within the same county.

(B) For purposes of this paragraph, the following shall apply:

(i) For any replacement property of greater value and purchased or newly constructed by a person eligible to transfer the base year value of his or her original property, the base year value of the replacement property shall be calculated by adding the difference between the full cash value of the original property and the full cash value of the replacement property to the base year value of the original property.

(ii) For any replacement property of equal or lesser value purchased or newly constructed by a person eligible to transfer the base year value of his or her original property, the base year value of the replacement property shall be calculated by dividing the base year value of the original property by the full cash value of the original property, and multiplying the result by the full cash value of the replacement property.

(f) For the purposes of subdivision (e):

(1) Property is substantially damaged or destroyed if it sustains physical damage amounting to more than 50 percent of its value immediately before the disaster. Damage includes a diminution in the value of property as a result of restricted access caused by the disaster.
(2) Replacement property is comparable to the property substantially
damaged or destroyed if it is similar in size, utility, and function to the property
that it replaces, and if the fair market value of the acquired property is comparable
to the fair market value of the replaced property prior to the disaster.

(g) For purposes of subdivision (a), the terms “purchased” and “change in
ownership” do not include the purchase or transfer of real property between spouses
since March 1, 1975, including, but not limited to, all of the following:

(1) Transfers to a trustee for the beneficial use of a spouse, or the surviving
spouse of a deceased transferor, or by a trustee of such a trust to the spouse of the
trustor.

(2) Transfers to a spouse that take effect upon the death of a spouse.

(3) Transfers to a spouse or former spouse in connection with a property
settlement agreement or decree of dissolution of a marriage or legal separation.

(4) The creation, transfer, or termination, solely between spouses, of any
coowner’s interest.

(5) The distribution of a legal entity’s property to a spouse or former spouse
in exchange for the interest of the spouse in the legal entity in connection with a
property settlement agreement or a decree of dissolution of a marriage or legal
separation.

(h) (1) For purposes of subdivision (a), the terms “purchased” and “change
in ownership” do not include the purchase or transfer of the principal residence
of the transferor in the case of a purchase or transfer between parents and their
children, as defined by the Legislature, and the purchase or transfer of the first
one million dollars ($1,000,000) of the full cash value of all other real property
between parents and their children, as defined by the Legislature. This subdivision
applies to both voluntary transfers and transfers resulting from a court order or
judicial decree.

(2) (A) Subject to subparagraph (B), commencing with purchases or transfers
that occur on or after the date upon which the measure adding this paragraph
becomes effective, the exclusion established by paragraph (1) also applies to a purchase or transfer of real property between grandparents and their grandchild or grandchildren, as defined by the Legislature, that otherwise qualifies under paragraph (1), if all of the parents of that grandchild or those grandchildren, who qualify as the children of the grandparents, are deceased as of the date of the purchase or transfer.

(B) A purchase or transfer of a principal residence shall not be excluded pursuant to subparagraph (A) if the transferee grandchild or grandchildren also received a principal residence, or interest therein, through another purchase or transfer that was excludable pursuant to paragraph (1). The full cash value of any real property, other than a principal residence, that was transferred to the grandchild or grandchildren pursuant to a purchase or transfer that was excludable pursuant to paragraph (1), and the full cash value of a principal residence that fails to qualify for exclusion as a result of the preceding sentence, shall be included in applying, for purposes of subparagraph (A), the one-million-dollar ($1,000,000) full cash value limit specified in paragraph (1).

(i) (1) Notwithstanding any other provision of this section, except as otherwise provided in paragraph (5), the Legislature shall provide with respect to a qualified contaminated property, as defined in paragraph (2), that either, but not both, of the following apply:

(A) (i) Subject to the limitation of clause (ii), on and after November 4, 1998, and until January 1, 2019, the base year value of the qualified contaminated property, as adjusted as authorized by subdivision (b), may be transferred to a replacement property that is acquired or newly constructed as a replacement for the qualified contaminated property, if the replacement real property has a fair market value that is equal to or less than the fair market value of the qualified contaminated property if that property were not contaminated and, except as otherwise provided by this clause, is located within the same county. The base year value of the qualified contaminated property may be transferred to a
replacement real property located within another county if the board of supervisors of that other county has, after consultation with the affected local agencies within that county, adopted a resolution authorizing an intercounty transfer of base year value as so described.

(ii) This subparagraph applies only to replacement property that is acquired or newly constructed within five years after ownership in the qualified contaminated property is sold or otherwise transferred.

(B) In the case in which the remediation of the environmental problems on the qualified contaminated property requires the destruction of, or results in substantial damage to, a structure located on that property, the term “new construction” does not include the repair of a substantially damaged structure, or the construction of a structure replacing a destroyed structure on the qualified contaminated property, performed after the remediation of the environmental problems on that property, provided that the repaired or replacement structure is similar in size, utility, and function to the original structure.

(2) For purposes of this subdivision, “qualified contaminated property” means residential or nonresidential real property that is all of the following:

(A) In the case of residential real property, rendered uninhabitable, and in the case of nonresidential real property, rendered unusable, as the result of either environmental problems, in the nature of and including, but not limited to, the presence of toxic or hazardous materials, or the remediation of those environmental problems, except where the existence of the environmental problems was known to the owner, or to a related individual or entity as described in paragraph (3), at the time the real property was acquired or constructed. For purposes of this subparagraph, residential real property is “uninhabitable” if that property, as a result of health hazards caused by or associated with the environmental problems, is unfit for human habitation, and nonresidential real property is “unusable” if that property, as a result of health hazards caused by or associated with the environmental problems, is unhealthy and unsuitable for occupancy.
(B) Located on a site that has been designated as a toxic or environmental hazard or as an environmental cleanup site by an agency of the State of California or the federal government.

(C) Real property that contains a structure or structures thereon prior to the completion of environmental cleanup activities, and that structure or structures are substantially damaged or destroyed as a result of those environmental cleanup activities.

(D) Stipulated by the lead governmental agency, with respect to the environmental problems or environmental cleanup of the real property, not to have been rendered uninhabitable or unusable, as applicable, as described in subparagraph (A), by any act or omission in which an owner of that real property participated or acquiesced.

(3) It shall be rebuttably presumed that an owner of the real property participated or acquiesced in any act or omission that rendered the real property uninhabitable or unusable, as applicable, if that owner is related to any individual or entity that committed that act or omission in any of the following ways:

(A) Is a spouse, parent, child, grandparent, grandchild, or sibling of that individual.

(B) Is a corporate parent, subsidiary, or affiliate of that entity.

(C) Is an owner of, or has control of, that entity.

(D) Is owned or controlled by that entity.

If this presumption is not overcome, the owner shall not receive the relief provided for in subparagraph (A) or (B) of paragraph (1). The presumption may be overcome by presentation of satisfactory evidence to the assessor, who shall not be bound by the findings of the lead governmental agency in determining whether the presumption has been overcome.

(4) This subdivision applies only to replacement property that is acquired or constructed on or after January 1, 1995, and to property repairs performed on or after that date.
(5) (A) Notwithstanding any other provision of this section, on and after January 1, 2019, and subject to the limitation of clause (ii) of subparagraph (A) of paragraph (1), the base year value of the qualified contaminated property shall be transferred to a replacement property that is acquired or newly constructed as a replacement for the qualified contaminated property, regardless of whether the replacement real property has a fair market value that is equal to or less than the fair market value of the qualified contaminated property if that property were not contaminated or whether the replacement property is located within the same county.

(B) For purposes of this paragraph, the following shall apply:

(i) For any replacement property of greater value and purchased or newly constructed by a person eligible to transfer the base year value of his or her original property pursuant to this clause, the base year value of the replacement property shall be calculated by adding the difference between the full cash value of the original property and the full cash value of the replacement property to the base year value of the original property.

(ii) For any replacement property of equal or lesser value purchased or newly constructed by a person eligible to transfer the base year value of his or her original property pursuant to this clause, the base year value of the replacement property shall be calculated by dividing the base year value of the original property by the full cash value of the original property, and multiplying the result by the full cash value of the replacement property.

(j) Unless specifically provided otherwise, amendments to this section adopted prior to November 1, 1988, are effective for changes in ownership that occur, and new construction that is completed, after the effective date of the amendment. Unless specifically provided otherwise, amendments to this section adopted after November 1, 1988, are effective for changes in ownership that occur, and new construction that is completed, on or after the effective date of the amendment.
SECTION 3. Section 69.5 of the Revenue and Taxation Code is amended to read:

69.5. (a) (1) Notwithstanding any other provision of law, pursuant to subdivision (a) of Section 2 of Article XIII A of the California Constitution, any person over the age of 55 years, or any severely and permanently disabled person, who resides in property that is eligible for the homeowners' exemption under subdivision (k) of Section 3 of Article XIII of the California Constitution and Section 218 may transfer, subject to the conditions and limitations provided in this section, the base year value of that property to any replacement dwelling of equal or lesser value that is located within the same county and is purchased or newly constructed by that person as his or her principal residence within two years of the sale by that person of the original property, provided that the base year value of the original property shall not be transferred to the replacement dwelling until the original property is sold.

(2) Notwithstanding the limitation in paragraph (1) requiring that the original property and the replacement dwelling be located in the same county, this limitation shall not apply in any county in which the county board of supervisors, after consultation with local affected agencies within the boundaries of the county, adopts an ordinance making the provisions of paragraph (1) also applicable to situations in which replacement dwellings are located in that county and the original properties are located in another county within this state. The authorization contained in this paragraph shall be applicable in a county only if the ordinance adopted by the board of supervisors complies with all of the following requirements:

(A) It is adopted only after consultation between the board of supervisors and all other local affected agencies within the county's boundaries.

(B) It requires that all claims for transfers of base year value from original property located in another county be granted if the claims meet the applicable requirements of both subdivision (a) of Section 2 of Article XIII A of the California Constitution and this section.

(C) It requires that all base year valuations of original property located in another county and determined by its assessor be accepted in connection with the granting of
claims for transfers of base year value.

(D) It provides that its provisions are operative for a period of not less than five years.

(E) The ordinance specifies the date on and after which its provisions shall be applicable. However, the date specified shall not be earlier than November 9, 1988. The specified applicable date may be a date earlier than the date the county adopts the ordinance.

(b) In addition to meeting the requirements of subdivision (a), any person claiming the property tax relief provided by this section shall be eligible for that relief only if the following conditions are met:

(1) The claimant is an owner and a resident of the original property either at the time of its sale, or at the time when the original property was substantially damaged or destroyed by misfortune or calamity, or within two years of the purchase or new construction of the replacement dwelling.

(2) The original property is eligible for the homeowners' exemption, as the result of the claimant’s ownership and occupation of the property as his or her principal residence, either at the time of its sale, or at the time when the original property was substantially damaged or destroyed by misfortune or calamity, or within two years of the purchase or new construction of the replacement dwelling.

(3) At the time of the sale of the original property, the claimant or the claimant’s spouse who resides with the claimant is at least 55 years of age, or is severely and permanently disabled.

(4) At the time of claiming the property tax relief provided by subdivision (a), the claimant is an owner of a replacement dwelling and occupies it as his or her principal place of residence and, as a result thereof, the property is currently eligible for the homeowners’ exemption or would be eligible for the exemption except that the property is already receiving the exemption because of an exemption claim filed by the previous owner.

(5) The original property of the claimant is sold by him or her within two years
of the purchase or new construction of the replacement dwelling. For purposes of this paragraph, the purchase or new construction of the replacement dwelling includes the purchase of that portion of land on which the replacement building, structure, or other shelter constituting a place of abode of the claimant will be situated and that, pursuant to paragraph (3) of subdivision (g), constitutes a part of the replacement dwelling.

(6) Except as otherwise provided in paragraph (2) of subdivision (a), the replacement dwelling, including that portion of land on which it is situated that is specified in paragraph (5), is located entirely within the same county as the claimant’s original property.

(7) The claimant has not previously been granted, as a claimant, the property tax relief provided by this section, except that this paragraph shall not apply to any person who becomes severely and permanently disabled subsequent to being granted, as a claimant, the property tax relief provided by this section for any person over the age of 55 years. In order to prevent duplication of claims under this section within this state, county assessors shall report quarterly to the State Board of Equalization that information from claims filed in accordance with subdivision (f) and from county records as is specified by the board necessary to identify fully all claims under this section allowed by assessors and all claimants who have thereby received relief. The board may specify that the information include all or a part of the names and social security numbers of claimants and their spouses and the identity and location of the replacement dwelling to which the claim applies. The information may be required in the form of data processing media or other media and in a format that is compatible with the recordkeeping processes of the counties and the auditing procedures of the state.

(c) The property tax relief provided by this section shall be available if the original property or the replacement dwelling, or both, of the claimant includes, but is not limited to, either of the following:

(1) A unit or lot within a cooperative housing corporation, a community apartment project, a condominium project, or a planned unit development. If the unit or lot
constitutes the original property of the claimant, the assessor shall transfer to the claimant’s replacement dwelling only the base year value of the claimant’s unit or lot and his or her share in any common area reserved as an appurtenance of that unit or lot. If the unit or lot constitutes the replacement dwelling of the claimant, the assessor shall transfer the base year value of the claimant’s original property only to the unit or lot of the claimant and any share of the claimant in any common area reserved as an appurtenance of that unit or lot.

(2) A manufactured home or a manufactured home and any land owned by the claimant on which the manufactured home is situated. For purposes of this paragraph, “land owned by the claimant” includes a pro rata interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(A) If the manufactured home or the manufactured home and the land on which it is situated constitutes the claimant’s original property, the assessor shall transfer to the claimant’s replacement dwelling either the base year value of the manufactured home or the base year value of the manufactured home and the land on which it is situated, as appropriate. If the manufactured home dwelling that constitutes the original property of the claimant includes an interest in a resident-owned mobilehome park, the assessor shall transfer to the claimant’s replacement dwelling the base year value of the claimant’s manufactured home and his or her pro rata portion of the real property of the park. No transfer of base year value shall be made by the assessor of that portion of land that does not constitute a part of the original property, as provided in paragraph (4) of subdivision (g).

(B) If the manufactured home or the manufactured home and the land on which it is situated constitutes the claimant’s replacement dwelling, the assessor shall transfer the base year value of the claimant’s original property either to the manufactured home or the manufactured home and the land on which it is situated, as appropriate. If the manufactured home dwelling that constitutes the replacement dwelling of the claimant includes an interest in a resident-owned mobilehome park, the assessor shall transfer the base year value of the claimant’s original property to the manufactured home of
the claimant and his or her pro rata portion of the park. No transfer of base year value shall be made by the assessor to that portion of land that does not constitute a part of the replacement dwelling, as provided in paragraph (3) of subdivision (g).

This subdivision shall be subject to the limitations specified in subdivision (d).

(d) The property tax relief provided by this section shall be available to a claimant who is the coowner of the original property, as a joint tenant, a tenant in common, a community property owner, or a present beneficiary of a trust subject to the following limitations:

(1) If a single replacement dwelling is purchased or newly constructed by all of the coowners and each coowner retains an interest in the replacement dwelling, the claimant shall be eligible under this section whether or not any or all of the remaining coowners would otherwise be eligible claimants.

(2) If two or more replacement dwellings are separately purchased or newly constructed by two or more coowners and more than one coowner would otherwise be an eligible claimant, only one coowner shall be eligible under this section. These coowners shall determine by mutual agreement which one of them shall be deemed eligible.

(3) If two or more replacement dwellings are separately purchased or newly constructed by two coowners who held the original property as community property, only the coowner who has attained the age of 55 years, or is severely and permanently disabled, shall be eligible under this section. If both spouses are over 55 years of age, they shall determine by mutual agreement which one of them is eligible.

In the case of coowners whose original property is a multiunit dwelling, the limitations imposed by paragraphs (2) and (3) shall only apply to coowners who occupied the same dwelling unit within the original property at the time specified in paragraph (2) of subdivision (b).

(e) Upon the sale of original property, the assessor shall determine a new base year value for that property in accordance with subdivision (a) of Section 2 of Article XIII A of the California Constitution and Section 110.1, whether or not a replacement
dwelling is subsequently purchased or newly constructed by the former owner or owners
of the original property.

This section shall not apply unless the transfer of the original property is a change
in ownership that either (1) subjects that property to reappraisal at its current fair market
value in accordance with Section 110.1 or 5803 or (2) results in a base year value
determined in accordance with this section, Section 69, or Section 69.3 because the
property qualifies under this section, Section 69, or Section 69.3 as a replacement
dwelling or property.

(f) (1) A claimant shall not be eligible for the property tax relief provided by
this section unless the claimant provides to the assessor, on a form that shall be designed
by the State Board of Equalization and that the assessor shall make available upon
request, the following information:

(A) The name and social security number of each claimant and of any spouse
of the claimant who is a record owner of the replacement dwelling.

(B) Proof that the claimant or the claimant’s spouse who resided on the original
property with the claimant was, at the time of its sale, at least 55 years of age, or
severely and permanently disabled. Proof of severe and permanent disability shall be
considered a certification, signed by a licensed physician and surgeon of appropriate
specialty, attesting to the claimant’s severely and permanently disabled condition. In
the absence of available proof that a person is over 55 years of age, the claimant shall
certify under penalty of perjury that the age requirement is met. In the case of a severely
and permanently disabled claimant either of the following shall be submitted:

(i) A certification, signed by a licensed physician or surgeon of appropriate
specialty that identifies specific reasons why the disability necessitates a move to the
replacement dwelling and the disability-related requirements, including any locational
requirements, of a replacement dwelling. The claimant shall substantiate that the
replacement dwelling meets disability-related requirements so identified and that the
primary reason for the move to the replacement dwelling is to satisfy those requirements.
If the claimant, or the claimant’s spouse or guardian, so declares under penalty of
perjury, it shall be rebuttably presumed that the primary purpose of the move to the replacement dwelling is to satisfy identified disability-related requirements.

(ii) The claimant’s substantiation that the primary purpose of the move to the replacement dwelling is to alleviate financial burdens caused by the disability. If the claimant, or the claimant’s spouse or guardian, so declares under penalty of perjury, it shall be rebuttably presumed that the primary purpose of the move is to alleviate the financial burdens caused by the disability.

(C) The address and, if known, the assessor’s parcel number of the original property.

(D) The date of the claimant’s sale of the original property and the date of the claimant’s purchase or new construction of a replacement dwelling.

(E) A statement by the claimant that he or she occupied the replacement dwelling as his or her principal place of residence on the date of the filing of his or her claim.

(F) Any claim under this section shall be filed within three years of the date the replacement dwelling was purchased or the new construction of the replacement dwelling was completed subject to subdivision (k) or (m).

(2) A claim for transfer of base year value under this section that is filed after the expiration of the filing period set forth in subparagraph (F) of paragraph (1) shall be considered by the assessor, subject to all of the following conditions:

(A) Any base year value transfer granted pursuant to that claim shall apply commencing with the lien date of the assessment year in which the claim is filed.

(B) The full cash value of the replacement property in the assessment year described in subparagraph (A) shall be the base year value of the real property in the assessment year in which the base year value was transferred, factored to the assessment year described in subparagraph (A) for both of the following:

(i) Inflation as annually determined in accordance with paragraph (1) of subdivision (a) of Section 51.

(ii) Any subsequent new construction occurring with respect to the subject real property that does not qualify for property tax relief pursuant to the criteria set forth
in subparagraphs (A) and (B) of paragraph (4) of subdivision (h).

(g) For purposes of this section:

(1) “Person over the age of 55 years” means any person or the spouse of any person who has attained the age of 55 years or older at the time of the sale of the original property.

(2) “Base year value of the original property” means its base year value, as determined in accordance with Section 110.1, with the adjustments permitted by subdivision (b) of Section 2 of Article XIII A of the California Constitution and subdivision (f) of Section 110.1, determined as of the date immediately prior to the date that the original property is sold by the claimant, or in the case where the original property has been substantially damaged or destroyed by misfortune or calamity and the owner does not rebuild on the original property, determined as of the date immediately prior to the misfortune or calamity.

If the replacement dwelling is purchased or newly constructed after the transfer of the original property, “base year value of the original property” also includes any inflation factor adjustments permitted by subdivision (f) of Section 110.1 for the period subsequent to the sale of the original property. The base year or years used to compute the “base year value of the original property” shall be deemed to be the base year or years of any property to which that base year value is transferred pursuant to this section.

(3) “Replacement dwelling” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of a replacement dwelling includes only that area of reasonable size that is used as a site for a residence, and “land owned by the claimant” includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate replacement dwelling. For
purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the claimant” includes an ownership interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(4) “Original property” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of the original property includes only that area of reasonable size that is used as a site for a residence, and “land owned by the claimant” includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate original property. For purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the claimant” includes an ownership interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(5) “Equal or lesser value” means that the amount of the full cash value of a replacement dwelling does not exceed one of the following:

(A) One hundred percent of the amount of the full cash value of the original property if the replacement dwelling is purchased or newly constructed prior to the date of the sale of the original property.

(B) One hundred and five percent of the amount of the full cash value of the original property if the replacement dwelling is purchased or newly constructed within the first year following the date of the sale of the original property.

(C) One hundred and ten percent of the amount of the full cash value of the original property if the replacement dwelling is purchased or newly constructed within
the second year following the date of the sale of the original property.

For the purposes of this paragraph, except as otherwise provided in paragraph (4) of subdivision (h), if the replacement dwelling is, in part, purchased and, in part, newly constructed, the date the "replacement dwelling is purchased or newly constructed" is the date of purchase or the date of completion of construction, whichever is later.

(6) "Full cash value of the replacement dwelling" means its full cash value, determined in accordance with Section 110.1, as of the date on which it was purchased or new construction was completed, and after the purchase or the completion of new construction.

(7) "Full cash value of the original property" means, either:

(A) Its new base year value, determined in accordance with subdivision (e), without the application of subdivision (h) of Section 2 of Article XIII A of the California Constitution, plus the adjustments permitted by subdivision (b) of Section 2 of Article XIII A and subdivision (f) of Section 110.1 for the period from the date of its sale by the claimant to the date on which the replacement property was purchased or new construction was completed.

(B) In the case where the original property has been substantially damaged or destroyed by misfortune or calamity and the owner does not rebuild on the original property, its full cash value, as determined in accordance with Section 110, immediately prior to its substantial damage or destruction by misfortune or calamity, as determined by the county assessor of the county in which the property is located, without the application of subdivision (h) of Section 2 of Article XIII A of the California Constitution, plus the adjustments permitted by subdivision (b) of Section 2 of Article XIII A of the California Constitution and subdivision (f) of Section 110.1, for the period from the date of its sale by the claimant to the date on which the replacement property was purchased or new construction was completed.

(8) "Sale" means any change in ownership of the original property for consideration.
(9) “Claimant” means any person claiming the property tax relief provided by this section. If a spouse of that person is a record owner of the replacement dwelling, the spouse is also a claimant for purposes of determining whether in any future claim filed by the spouse under this section the condition of eligibility specified in paragraph (7) of subdivision (b) has been met.

(10) “Property that is eligible for the homeowners’ exemption” includes property that is the principal place of residence of its owner and is entitled to exemption pursuant to Section 205.5.

(11) “Person” means any individual, but does not include any firm, partnership, association, corporation, company, or other legal entity or organization of any kind. “Person” includes an individual who is the present beneficiary of a trust.

(12) “Severely and permanently disabled” means any person described in subdivision (b) of Section 74.3.

(13) For the purposes of this section, property is “substantially damaged or destroyed by misfortune or calamity” if either the land or the improvements sustain physical damage amounting to more than 50 percent of either the land’s or the improvement’s full cash value immediately prior to the misfortune or calamity. Damage includes a diminution in the value of property as a result of restricted access to the property where the restricted access was caused by the misfortune or calamity and is permanent in nature.

(h) (1) Upon the timely filing of a claim described in subparagraph (F) of paragraph (1) of subdivision (f), the assessor shall adjust the new base year value of the replacement dwelling in conformity with this section. This adjustment shall be made as of the latest of the following dates:

(A) The date the original property is sold.
(B) The date the replacement dwelling is purchased.
(C) The date the new construction of the replacement dwelling is completed.

(2) Any taxes that were levied on the replacement dwelling prior to the filing of the claim on the basis of the replacement dwelling’s new base year value, and any
allowable annual adjustments thereto, shall be canceled or refunded to the claimant to
the extent that the taxes exceed the amount that would be due when determined on the
basis of the adjusted new base year value.

(3) Notwithstanding Section 75.10, Chapter 3.5 (commencing with Section 75) shall be utilized for purposes of implementing this subdivision, including adjustments of the new base year value of replacement dwellings acquired prior to the sale of the original property.

(4) In the case where a claim under this section has been timely filed and granted, and new construction is performed upon the replacement dwelling subsequent to the transfer of base year value, the property tax relief provided by this section also shall apply to the replacement dwelling, as improved, and thus there shall be no reassessment upon completion of the new construction if both of the following conditions are met:

(A) The new construction is completed within two years of the date of the sale of the original property and the owner notifies the assessor in writing of completion of the new construction within six months after completion.

(B) The fair market value of the new construction on the date of completion, plus the full cash value of the replacement dwelling on the date of acquisition, is not more than the full cash value of the original property as determined pursuant to paragraph (7) of subdivision (g) for purposes of granting the original claim.

(i) Any claimant may rescind a claim for the property tax relief provided by this section and shall not be considered to have received that relief for purposes of paragraph (7) of subdivision (b), and the assessor shall grant the rescission, if a written notice of rescission is delivered to the office of the assessor as follows:

(1) A written notice of rescission signed by the original filing claimant or claimants is delivered to the office of the assessor in which the original claim was filed.

(2) (A) Except as otherwise provided in this paragraph, the notice of rescission is delivered to the office of the assessor before the date that the county first issues, as a result of relief granted under this section, a refund check for property taxes imposed upon the replacement dwelling. If granting relief will not result in a refund of property
taxes, then the notice shall be delivered before payment is first made of any property taxes, or any portion thereof, imposed upon the replacement dwelling consistent with relief granted under this section. If payment of the taxes is not made, then notice shall be delivered before the first date that those property taxes, or any portion thereof, imposed upon the replacement dwelling, consistent with relief granted under this section, are delinquent.

(B) Notwithstanding any other provision in this division, any time the notice of rescission is delivered to the office of the assessor within six years after relief was granted, provided that the replacement property has been vacated as the claimant’s principal place of residence within 90 days after the original claim was filed, regardless of whether the property continues to receive the homeowners’ exemption. If the rescission increases the base year value of a property, or the homeowners’ exemption has been incorrectly allowed, appropriate escape assessments or supplemental assessments, including interest as provided in Section 506, shall be imposed. The limitations periods for any escape assessments or supplemental assessments shall not commence until July 1 of the assessment year in which the notice of rescission is delivered to the office of the assessor.

(3) The notice is accompanied by the payment of a fee as the assessor may require, provided that the fee shall not exceed an amount reasonably related to the estimated cost of processing a rescission claim, including both direct costs and developmental and indirect costs, such as costs for overhead, personnel, supplies, materials, office space, and computers.

(j) (1) With respect to the transfer of base year value of original properties to replacement dwellings located in the same county, this section, except as provided in paragraph (3) or (4), shall apply to any replacement dwelling that is purchased or newly constructed on or after November 6, 1986.

(2) With respect to the transfer of base year value of original properties to replacement dwellings located in different counties, except as provided in paragraph (4), this section shall apply to any replacement dwelling that is purchased or newly
constructed on or after the date specified in accordance with subparagraph (E) of paragraph (2) of subdivision (a) in the ordinance of the county in which the replacement dwelling is located, but shall not apply to any replacement dwelling which was purchased or newly constructed before November 9, 1988.

(3) With respect to the transfer of base year value by a severely and permanently disabled person, this section shall apply only to replacement dwellings that are purchased or newly constructed on or after June 6, 1990.

(4) The amendments made to subdivision (e) by the act adding this paragraph shall apply only to replacement dwellings under Section 69 that are acquired or newly constructed on or after October 20, 1991, and shall apply commencing with the 1991–92 fiscal year.

(k) (1) In the case in which a county adopts an ordinance pursuant to paragraph (2) of subdivision (a) that establishes an applicable date which is more than three years prior to the date of adoption of the ordinance, those potential claimants who purchased or constructed replacement dwellings more than three years prior to the date of adoption of the ordinance and who would, therefore, be precluded from filing a timely claim, shall be deemed to have timely filed a claim if the claim is filed within three years after the date that the ordinance is adopted. This paragraph may not be construed as a waiver of any other requirement of this section.

(2) In the case in which a county assessor corrects a base year value to reflect a pro rata change in ownership of a resident-owned mobilehome park that occurred between January 1, 1989, and January 1, 2002, pursuant to paragraph (4) of subdivision (b) of Section 62.1, those claimants who purchased or constructed replacement dwellings more than three years prior to the correction and who would, therefore, be precluded from filing a timely claim, shall be deemed to have timely filed a claim if the claim is filed within three years of the date of notice of the correction of the base year value to reflect the pro rata change in ownership. This paragraph may not be construed as a waiver of any other requirement of this section.

(3) This subdivision does not apply to a claimant who has transferred his or her
replacement dwelling prior to filing a claim.

(4) The property tax relief provided by this section, but filed under this subdivision, shall apply prospectively only, commencing with the lien date of the assessment year in which the claim is filed. There shall be no refund or cancellation of taxes prior to the date that the claim is filed.

(l) No escape assessment may be levied if a transfer of base year value under this section has been erroneously granted by the assessor pursuant to an expired ordinance authorizing intercounty transfers of base year value.

(m) (1) The amendments made to subdivisions (b) and (g) of this section by Chapter 613 of the Statutes of 2001 shall apply:

(A) With respect to the transfer of base year value of original properties to replacement dwellings located in the same county, to any replacement dwelling that is purchased or newly constructed on or after November 6, 1986.

(B) With respect to the transfer of base year value of original properties to replacement dwellings located in different counties, to any replacement dwelling that is purchased or newly constructed on or after the date specified in accordance with subparagraph (E) of paragraph (2) of subdivision (a) in the ordinance of the county in which the replacement dwelling is located, but not to any replacement dwelling that was purchased or newly constructed before November 9, 1988.

(C) With respect to the transfer of base year value by a severely and permanently disabled person, to replacement dwellings that are purchased or newly constructed on or after June 6, 1990.

(2) The property tax relief provided by this section in accordance with this subdivision shall apply prospectively only commencing with the lien date of the assessment year in which the claim is filed. There shall be no refund or cancellation of taxes prior to the date that the claim is filed.

(n) A claim filed under this section is not a public document and is not subject to public inspection, except that a claim shall be available for inspection by the claimant or the claimant’s spouse, the claimant’s or the claimant’s spouse’s legal representative,
the trustee of a trust in which the claimant or the claimant’s spouse is a present beneficiary, and the executor or administrator of the claimant’s or the claimant’s spouse’s estate.

(o) The amendments made to this section by the act adding this subdivision shall apply commencing with the lien date for the 2012–13 fiscal year.

(p) This section shall remain effect only until January 1, 2019, and as of that date is repealed.

SECTION 4. Section 69.5 is added to the Revenue and Taxation Code, to read:

69.5. (a) (1) Notwithstanding any other law, pursuant to subdivision (a) of Section 2 of Article XIII A of the California Constitution, the base year value of property that is eligible for the homeowners’ exemption under subdivision (k) of Section 3 of Article XIII of the California Constitution and Section 218 of any person over 55 years of age or any severely disabled person, subject to the procedures provided in this section, shall be transferred to any replacement dwelling, regardless of the value of the replacement dwelling or whether the replacement dwelling is located within the same county, that is purchased or newly constructed by that person as his or her principal residence within two years of the sale by that person of the original property, provided that the base year value of the original property shall not be transferred to the replacement dwelling until the original property is sold.

(2) For purposes of calculating the base year value of a replacement dwelling, the following shall apply:

(A) For any replacement dwelling of greater value and purchased or newly constructed by a person eligible to transfer the base year value of his or her original property within two years of the sale of the original property, the base year value of the replacement dwelling shall be calculated by adding the difference between the full cash value of the original property and the full cash value of the replacement dwelling to the base year value of the original property.

(B) For any replacement dwelling of equal or lesser value purchased or newly constructed by a person eligible to transfer the base year value of his or her original
property within two years of the sale of the original property, the base year value of the replacement dwelling shall be calculated by dividing the base year value of the original property by the full cash value of the original property, and multiplying the result by the full cash value of the replacement dwelling.

(b) In addition to meeting the requirements of subdivision (a), any person entitled to the property tax relief provided by this section shall be eligible for that relief only if the following conditions are met:

(1) The person is an owner and a resident of the original property either at the time of its sale, or at the time when the original property was substantially damaged or destroyed by misfortune or calamity, or within two years of the purchase or new construction of the replacement dwelling.

(2) The original property is eligible for the homeowners’ exemption, as the result of the person’s ownership and occupation of the property as his or her principal residence, either at the time of its sale, or at the time when the original property was substantially damaged or destroyed by misfortune or calamity, or within two years of the purchase or new construction of the replacement dwelling.

(3) At the time of the sale of the original property, the person or his or her spouse who resides with the person is at least 55 years of age, or is severely and permanently disabled.

(4) At the time of filing for the property tax relief provided by subdivision (a), the person is an owner of a replacement dwelling and occupies it as his or her principal place of residence and, as a result thereof, the property is currently eligible for the homeowners’ exemption or would be eligible for the exemption except that the property is already receiving the exemption because of an exemption filed by the previous owner.

(5) The original property of the person is sold by him or her within two years of the purchase or new construction of the replacement dwelling. For purposes of this paragraph, the purchase or new construction of the replacement dwelling includes the purchase of that portion of land on which the replacement building, structure, or other
shelter constituting a place of abode of the person will be situated and that, pursuant to paragraph (3) of subdivision (g), constitutes a part of the replacement dwelling.

(c) (1) The property tax relief provided by this section shall be available if the original property or the replacement dwelling, or both, of the person includes, but is not limited to, either of the following:

(A) A unit or lot within a cooperative housing corporation, a community apartment project, a condominium project, or a planned unit development. If the unit or lot constitutes the original property of the person, the assessor shall transfer to the person’s replacement dwelling only the base year value of the person’s unit or lot and his or her share in any common area reserved as an appurtenance of that unit or lot. If the unit or lot constitutes the replacement dwelling of the person, the assessor shall transfer the base year value of the person’s original property only to the unit or lot of the claimant and any share of the person in any common area reserved as an appurtenance of that unit or lot.

(B) A manufactured home or a manufactured home and any land owned by the person on which the manufactured home is situated. For purposes of this paragraph, “land owned by the person” includes a pro rata interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(i) If the manufactured home or the manufactured home and the land on which it is situated constitutes the person’s original property, the assessor shall transfer to the person’s replacement dwelling either the base year value of the manufactured home or the base year value of the manufactured home and the land on which it is situated, as appropriate. If the manufactured home dwelling that constitutes the original property of the person includes an interest in a resident-owned mobilehome park, the assessor shall transfer to the person’s replacement dwelling the base year value of the person’s manufactured home and his or her pro rata portion of the real property of the park. No transfer of base year value shall be made by the assessor of that portion of land that does not constitute a part of the original property, as provided in paragraph (4) of subdivision (g).
(ii) If the manufactured home or the manufactured home and the land on which it is situated constitutes the claimant’s replacement dwelling, the assessor shall transfer the base year value of the claimant’s original property either to the manufactured home or the manufactured home and the land on which it is situated, as appropriate. If the manufactured home dwelling that constitutes the replacement dwelling of the claimant includes an interest in a resident-owned mobilehome park, the assessor shall transfer the base year value of the claimant’s original property to the manufactured home of the claimant and his or her pro rata portion of the park. No transfer of base year value shall be made by the assessor to that portion of land that does not constitute a part of the replacement dwelling, as provided in paragraph (3) of subdivision (g).

(2) This subdivision shall be subject to the limitations specified in subdivision (d).

(d) The property tax relief provided by this section shall be available to a person who is the coowner of the original property, as a joint tenant, a tenant in common, a community property owner, or a present beneficiary of a trust subject to the following limitations:

(1) If a single replacement dwelling is purchased or newly constructed by all of the coowners and each coowner retains an interest in the replacement dwelling, the person filing for the transfer of base year value shall be eligible under this section whether or not any or all of the remaining coowners would otherwise be eligible.

(2) If two or more replacement dwellings are separately purchased or newly constructed by two or more coowners and more than one coowner would otherwise be eligible to transfer base year value pursuant to this section, all coowners shall have the base year value of the original property transferred to any replacement dwelling in proportion to their ownership interest in the original property.

(3) If two or more replacement dwellings are separately purchased or newly constructed by two coowners who held the original property as community property, only the coowner who has attained 55 years of age, or is severely and permanently disabled, shall be eligible under this section. If both spouses are over 55 years of age,
the base year value of the original property shall be transferred to any replacement dwelling in proportion to their ownership interest in the original property.

(4) In the case of coowners whose original property is a multiunit dwelling, the limitations imposed by paragraphs (2) and (3) shall only apply to coowners who occupied the same dwelling unit within the original property at the time specified in paragraph (2) of subdivision (b).

(e) Upon the sale of original property, the assessor shall determine a new base year value for that property in accordance with subdivision (a) of Section 2 of Article XIII A of the California Constitution and Section 110.1, whether or not a replacement dwelling is subsequently purchased or newly constructed by the former owner or owners of the original property. This section shall not apply unless the transfer of the original property is a change in ownership that either (1) subjects that property to reappraisal at its current fair market value in accordance with Section 110.1 or 5803 or (2) results in a base year value determined in accordance with this section, Section 69, or Section 69.3 because the property qualifies under this section, Section 69, or Section 69.3 as a replacement dwelling or property.

(f) (1) A person entitled the property tax relief provided by this section shall provide to the assessor, on a form that shall be designed by the State Board of Equalization and that the assessor shall make available upon purchase of the replacement dwelling at the time in which the replacement dwelling would ordinarily be subject to reappraisal at its current fair market value, the following information:

(A) The name and social security number of each person who resides at the property and who is eligible for the homeowner’s exemption.

(B) Proof that the person or his or her spouse who resided on the original property with the person was, at the time of its sale, at least 55 years of age, or severely and permanently disabled. Proof of severe and permanent disability shall be considered a certification, signed by a licensed physician and surgeon of appropriate specialty, attesting to the claimant’s severely and permanently disabled condition. In the absence of available proof that a person is over 55 years of age, the person shall certify under
penalty of perjury that the age requirement is met. In the case of a severely and permanently disabled person either of the following shall be submitted:

(i) A certification, signed by a licensed physician or surgeon of appropriate specialty that identifies specific reasons why the disability necessitates a move to the replacement dwelling and the disability-related requirements, including any locational requirements, of a replacement dwelling. The person shall substantiate that the replacement dwelling meets disability-related requirements so identified and that the primary reason for the move to the replacement dwelling is to satisfy those requirements. If the person, or his or her spouse or guardian, so declares under penalty of perjury, it shall be rebuttably presumed that the primary purpose of the move to the replacement dwelling is to satisfy identified disability-related requirements.

(ii) The person's substantiation that the primary purpose of the move to the replacement dwelling is to alleviate financial burdens caused by the disability. If the person, or his or her spouse or guardian, so declares under penalty of perjury, it shall be rebuttably presumed that the primary purpose of the move is to alleviate the financial burdens caused by the disability.

(C) The address and, if known, the assessor's parcel number of the original property.

(D) The date of the sale of the person's original property and the date of the purchase or new construction of a replacement dwelling.

(E) A statement by the person that he or she occupied the replacement dwelling as his or her principal place of residence on the date of the filing of his or her claim.

(2) The form required by this subdivision shall be filed within three years of the date the replacement dwelling was purchased or the new construction of the replacement dwelling was completed. Any form filed after the expiration of the filing period set forth in this paragraph shall be considered by the assessor, subject to all of the following conditions:

(A) Any base year value transfer granted pursuant to that filing shall apply commencing with the lien date of the assessment year in which the form is filed.
(B) The full cash value of the replacement property in the assessment year described in subparagraph (A) shall be the base year value of the real property in the assessment year in which the base year value was transferred, factored to the assessment year described in subparagraph (A) for both of the following:

(i) Inflation as annually determined in accordance with paragraph (1) of subdivision (a) of Section 51.

(ii) Any subsequent new construction occurring with respect to the subject real property that does not qualify for property tax relief pursuant to the criteria set forth in paragraph (4) of subdivision (h).

(g) For purposes of this section, the following definitions shall apply:

(1) “Person over 55 years of age” means any person or the spouse of any person who has attained 55 years of age or older at the time of the sale of the original property.

(2) (A) “Base year value of the original property” means its base year value, as determined in accordance with Section 110.1, with the adjustments permitted by subdivision (b) of Section 2 of Article XIII A of the California Constitution and subdivision (f) of Section 110.1, determined as of the date immediately prior to the date that the original property is sold by the claimant, or in the case where the original property has been substantially damaged or destroyed by misfortune or calamity and the owner does not rebuild on the original property, determined as of the date immediately prior to the misfortune or calamity.

(B) If the replacement dwelling is purchased or newly constructed after the transfer of the original property, “base year value of the original property” also includes any inflation factor adjustments permitted by subdivision (f) of Section 110.1 for the period subsequent to the sale of the original property. The base year or years used to compute the “base year value of the original property” shall be deemed to be the base year or years of any property to which that base year value is transferred pursuant to this section.

(3) “Replacement dwelling” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned
and occupied by a person as his or her principal place of residence, and any land owned by the person on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of a replacement dwelling includes only that area of reasonable size that is used as a site for a residence, and “land owned by the person” includes land for which the person either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate replacement dwelling. For purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the person” includes an ownership interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(4) “Original property” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a person as his or her principal place of residence, and any land owned by the person on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of the original property includes only that area of reasonable size that is used as a site for a residence, and “land owned by the person” includes land for which the person either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate original property. For purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the person” includes an ownership interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(5) “Full cash value of the replacement dwelling” means its full cash value, determined in accordance with Section 110.1, as of the date on which it was purchased or new construction was completed, and after the purchase or the completion of new
construction.

(6) "Full cash value of the original property" means, either:

(A) Its new base year value, determined in accordance with subdivision (e), without the application of subdivision (h) of Section 2 of Article XIII A of the California Constitution, plus the adjustments permitted by subdivision (b) of Section 2 of Article XIII A and subdivision (f) of Section 110.1 for the period from the date of its sale by the person to the date on which the replacement property was purchased or new construction was completed.

(B) In the case where the original property has been substantially damaged or destroyed by misfortune or calamity and the owner does not rebuild on the original property, its full cash value, as determined in accordance with Section 110, immediately prior to its substantial damage or destruction by misfortune or calamity, as determined by the county assessor of the county in which the property is located, without the application of subdivision (h) of Section 2 of Article XIII A of the California Constitution, plus the adjustments permitted by subdivision (b) of Section 2 of Article XIII A of the California Constitution and subdivision (f) of Section 110.1, for the period from the date of its sale by the person to the date on which the replacement property was purchased or new construction was completed.

(7) “Sale” means any change in ownership of the original property for consideration.

(8) “Person” means any individual, but not any firm, partnership, association, corporation, company, or other legal entity or organization of any kind, who files for the property tax relief provided by this section. “Person” includes an individual who is the present beneficiary of a trust.

(9) “Property that is eligible for the homeowners’ exemption” includes property that is the principal place of residence of its owner and is entitled to exemption pursuant to Section 205.5.

(10) Property is “substantially damaged or destroyed by misfortune or calamity” if either the land or the improvements sustain physical damage amounting to more than
50 percent of either the land’s or the improvement’s full cash value immediately prior to the misfortune or calamity. Damage includes a diminution in the value of property as a result of restricted access to the property where the restricted access was caused by the misfortune or calamity and is permanent in nature.

(h) (1) Upon the timely filing of a form, as described in subdivision (f), the assessor shall adjust the new base year value of the replacement dwelling in conformity with this section. This adjustment shall be made as of the latest of the following dates:

(A) The date the original property is sold.

(B) The date the replacement dwelling is purchased.

(C) The date the new construction of the replacement dwelling is completed.

(2) Any taxes that were levied on the replacement dwelling prior to the filing for the property tax relief provided by this section on the basis of the replacement dwelling’s new base year value, and any allowable annual adjustments to that new base year value, shall be canceled or refunded to the person to the extent that the taxes exceed the amount that would be due when determined on the basis of the adjusted new base year value.

(3) Notwithstanding Section 75.10, Chapter 3.5 (commencing with Section 75) shall be utilized for purposes of implementing this subdivision, including adjustments of the new base year value of replacement dwellings acquired prior to the sale of the original property.

(4) In the case where a form under this section has been timely filed, and new construction is performed upon the replacement dwelling subsequent to the transfer of base year value, the property tax relief provided by this section also shall apply to the replacement dwelling, as improved, and thus there shall be no reassessment upon completion of the new construction if the new construction is completed within two years of the date of the sale of the original property and the owner notifies the assessor in writing of completion of the new construction within six months after completion.

(i) With respect to the transfer of the base year value of original properties to replacement dwellings, this section shall apply to any replacement dwelling that is
purchased or newly constructed on or after January 1, 2019.

(j) A form filed under this section is not a public document and is not subject to public inspection, except that the form shall be available for inspection by the person or his or her spouse, the person’s or his or her spouse’s legal representative, the trustee of a trust in which the person or his or her spouse is a present beneficiary, and the executor or administrator of the person’s or his or her spouse’s estate.

(k) This section shall become operative on January 1, 2019.

SECTION 5. The statutory provisions of this measure may be amended by a two-thirds vote of the members of each house of the Legislature and signed by the Governor so long as the amendments are consistent with and further the intent of this act.

SECTION 6. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
California must start building more affordable places for our workforce to call home if the state is to remain economically competitive. Passing the $4 billion Veterans and Affordable Housing Act will help build affordable housing for veterans, working families, people with disabilities and Californians experiencing homelessness and develop the strong business environment we all need.

WHY CALIFORNIA'S BUSINESSES AND WORKFORCE NEED AFFORDABLE HOUSING

- The housing crisis is crushing California's workforce. People are spending more than 30% of their incomes and as much as 50% of their incomes on housing, no matter how many hours they work.
- California's business leaders say increasing the supply of affordable housing for workers across the state is imperative for our diverse business community — from small businesses in the Central Valley and the Inland Empire to leading tech companies in the Bay Area — to compete for and retain the talent that drives the state's economy.
- Nine of the nation's 10 least affordable major metropolitan areas (with populations of 500,000 or more) are in California — dampening businesses' competitive edge in these markets and creating a domino effect across the state.
- A January 2018 report from the Public Policy Institute of California notes that addressing the high cost of living is critical to the state maintaining long-term economic competitiveness and a skilled workforce.

WHAT THE ACT DOES TO BUILD A STRONGER CALIFORNIA

- The Veterans and Affordable Housing Act will increase the supply of affordable housing, and it is expected to create 137,000 jobs and pump $23.4 billion into California's economy.
- It improves our business and community environments by reducing homelessness among veterans, families with children, people with disabilities and other valued members of our communities.
- The act builds upon successful private-public partnerships to get homes quickly built and invest in the programs and projects local communities need, including: $1.5 billion to the Multifamily Housing Program, $150 million for the Transit-Oriented Development Program, and $300 million for the Infill Infrastructure Grant Program.

CONTACT David Koenig at DavidJKoenig@gmail.com for more information.

VETSANDAFFORDABLEHOUSINGACT.ORG

Paid for by Affordable Housing Now, a coalition of Housing California, California Housing Consortium, State Building and Construction Trades Council of California and Silicon Valley Leadership Group. Committee ID# 1401697 Committee major funding from Members' Voice of the State Building and Construction Trades Council of California, Caleb J. Roope and Mid-Peninsula Housing.
WHO WE ARE

We are a broad coalition of affordable housing advocates, business leaders, labor, veterans and environmental groups working to bring affordable housing to California communities by passing the $4 billion Veterans and Affordable Housing Act (SB 3) that will go before voters in November 2018.

WHAT THE BOND DOES FOR CALIFORNIA VETERANS,
STRUGGLING FAMILIES AND PEOPLE WITH DISABILITIES

- Dedicates funding to help military veterans have a safe place to call home.
- Provides stable housing for struggling families, people experiencing homelessness and individuals with disabilities.
- Builds affordable homes for hardworking people like grocery clerks, nurse aides and teaching assistants. This helps people live in the communities where they work and serve, while still having money for basics like groceries, gas and child care.
- Tackles top priorities for Californians – building homes, creating jobs and boosting the economy. It’s expected to create 137,000 jobs and pump $23.4 billion into California’s economy.

WHY CALIFORNIANS NEED THIS AFFORDABLE HOUSING ACT NOW

- The housing crisis is crushing the 1 in 3 Californians who can’t afford their rents.
- Many people are spending more than 30% of their incomes and some as much as 50% of their incomes on housing.
- The growing gap between what Californians earn and the cost of rent has grown so wide that families are separated by excruciating commutes because they can’t afford to live in the cities where they work.
- We don’t have to look far to see the human devastation of the housing crisis. Homelessness and its harsh toll is taking hold in more Californians’ lives. California has the largest population of unsheltered veterans in the nation. Families pushed to the brink live in their cars or double and even triple up in overcrowded housing as they try to maintain their jobs and ensure their children go to school.

HOW YOU CAN JOIN OUR COALITION & SUPPORT THE BOND

- Help spread the word among family, friends, neighbors and colleagues that we all can do something about the housing crisis – Vote YES on the Veterans and Affordable Housing Act this November.

CONTACT

David Koenig (DavidJKoenig@gmail.com) for information on how you and your organization can formally endorse the Act, participate in outreach opportunities and contribute to the campaign to build affordable housing in California.

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JOIN OUR BROAD COALITION OF ENDORSERS

Cities, Counties and Local Electeds

City of Arcata
City of Ceres
City of Cloverdale
City of Colton
City of Lakewood
City of Livermore
City of Mountain View
City of San Jose
City of Ukiah
City of Willits
Mayor Libby Schaaf, City of Oakland
Mayor Carol Dutra-Vernaci, Union City
Mayor Chris Vierra, City of Ceres
Mayor Deborah Penros, City of Halfmoon Bay
Mayor Jim Reed, City of Scotts Valley
Mayor John Marchand, City of Livermore
Mayor Joseph Palla, City of Cloverdale
Mayor Kevin Doble, City of Ukiah, City Council
Mayor Lenny Siegel, City of Mountain View
Mayor Lily Mei, City of Fremont
Mayor Newell Arnerich, City of Danville
Mayor Madge Strong, City of Willits, City Council
Mayor Newell Arnerich, Town of Danville
Mayor Pro Tem Daniel Parra, City of Fowler
Mayor Rob Rennie, City of Los Gatos
President, Board of Supervisors Dave Pine, San Mateo County
Supervisor Don Saylor, Yolo County
Supervisor Ryan Coonerty, Santa Cruz County
Councilmember Colin Parent, City of La Mesa
Councilmember Cynthia Mathews, City of Santa Cruz
Councilmember Deborah Ruddock, City of Half Moon Bay
Councilmember Gustav Larsson, City of Sunnyvale
Councilmember Ken Lane, City of Ceres
Trustee Alex Randolph, City College of San Francisco

Environment and Transportation

California League of Conservation Voters (CLCV)
Climate Plan
Transform

Labor

United Farm Workers (UFW)
Boilermakers
CA State Association of Electrical Workers
District Council of Iron Workers
Los Angeles/Orange Counties Building and Construction Trades Council
Northeastern California Building & Construction Trades Council
San Diego Building & Constructions Trade Council
San Francisco Building and Construction Trades Council
IBEW Local 6
IBEW Local 11
IBEW Local 47
IBEW Local 234
IBEW Local 302
IBEW Local 332
IBEW Local 428
IBEW Local 441
IBEW Local 551
IBEW Local 595
IBEW Local 617
Ironworkers Local 155
Ironworkers Local 229
Plumbers & Steamfitters Local 398
S.M.A.R.T Local Union No. 104
S.M.A.R.T Local Union No. 105

Veterans

New Directions for Veterans
Swords to Plowshares
Veterans Village of San Diego
Veterans Housing Development Corp
Veterans Resource Centers of America

Businesses, Statewide Organizations & Community Groups

Abode Communities
Affirmed Housing
Affordable Housing Now (Santa Cruz County)
AIA Los Angeles
Akraya
Alameda County Housing Authority
Bay Area Community Services
BBI Construction
Berkeley Food and Housing Project
Bill Wilson Center
Bonnewit Development Services
Bridge Housing
Building Industry Association of Tulare/Kings Counties
Burbank Housing
California Coalition for Rural Housing
California Community Economic Development Association
California Housing Partnership
Californians for Disability Rights, Inc. (CDR)
### Businesses, Statewide Organizations & Community Groups (cont.)

- California YIMBY
- Center for Sustainable Neighborhoods
- Charities Housing
- Christian Churches Homes
- CityTeam
- Clifford Beers Housing
- Community Corporation of Santa Monica
- Community Cycles of California
- Community Economics
- Community Housing Partnership
- Community Housing Works
- Congress of California Seniors
- Corporation for Supportive Housing
- Council of Community Housing Organizations
- Cypress Group
- Deaf Seniors of Riverside (DSR)
- Downtown Women’s Center
- EAH Housing
- East Bay Housing Organization
- Eden Housing
- Ella Baker Center
- Ensuring Opportunity Campaign to End Poverty in Contra Costa County
- Enterprise Community Partners - Northern California
- Enterprise Community Partners - Southern California
- First Community Housing
- FSY Architects, Inc
- Greenbelt Alliance
- Habitat for Humanity East Bay/Silicon Valley
- Habitat for Humanity of Greater Sacramento
- Healthright360.org
- Housing Authority of the City of Santa Barbara
- Housing Leadership Council of San Mateo County
- Housing on Merit
- Housing Rights Committee of San Francisco
- JAG Interiors Inc
- Jewish Community Relations Council Silicon Valley
- Key Community Housing
- Koreatown Immigrant Workers Alliance
- Laurin Associates
- LifeSTEPS
- Linc Housing
- Long Beach Residents Empowered
- LTSĆ Community Development Corp.
- LULAC California
- Lutheran Office of Public Policy-CA
- Many Mansions
- Marin Environmental Housing Collaborative
- Matt Huerta Consulting LLC
- Mercy Housing
- Middle Class Taxpayers Association
- MidPen Housing Corporation
- Mission Housing Development Corporation
- Move LA
- Nancy Lewis Associates, Inc.
- National Community Renaissance
- NeighborWorks Orange County
- New Capital
- Non-Profit Housing Association of Northern California
- Novin Development
- Nuquest Ventures LLC
- One Treasure Island
- Oyster Point Development, LLC
- Palo Alto Housing
- Paschal/Roth
- PICO-California
- R4 Capital
- Rad Urban
- RCD Housing
- Redding/Shasta, Lassen, Plumas, Sierra, Siskiyou, Del Norte, Modoc Counties Continuum of Care
- Related Companies
- Rural Community Assistance Corporation
- Sacramento Housing Alliance
- Sadlon and Associates, Inc
- SAHA Homes
- San Diego Housing Federation
- San Francisco Building and Construction Trades Council
- San Francisco Community Land Trust
- San Francisco Housing Development Corp.
- San Francisco Information Clearhouse
- Sares-Regis Group
- SCANPH
- Self-Help Enterprises
- Siliconsage Homes
- Silicon Valley @ Home
- Silicon Valley Community Foundation
- Skid Row Housing Trust
- Sunnyvale Community Services
- Tenderloin Housing Clinic
- The California Council for Affordable Housing (CCAH)
- The Ingram Politic
- The John Stewart Company
- The Magnolia @ 9th Senior Apartments
- The Public Interest Law Project
- Townspeople
- TRUST South LA
- Unitarian Universalist Church of Berkeley
- Venice Community Housing
- Venture Gained Legal
- Women’s Council of Realtors
- WSH Management, Inc.

### Democratic Party Organizations

- Peninsula Democratic Coalition
- San Fernando Valley Young Democrats
- Santa Monica Democratic Club
Join our broad coalition of affordable housing advocates, business leaders, labor, veterans, environmental groups and more working to pass the $4 billion Veterans and Affordable Housing Act this November, and build affordable housing for veterans, working families, people with disabilities, Californians experiencing homelessness and others struggling to find a safe place to call home.

This endorsement is on behalf of: (Circle one or both)
My Organization / Company       Myself (as an individual)

Company/Organization or Employer’s Name* (If none, write N/A)

First Name*                             Last Name*

Title/Occupation

Mailing Address

City                                      State                                  Zip*

E-mail*

Signature*                              Date

Note: Title and organization are for identification purposes only.

I am willing to:
☐ Promote the campaign in my organization’s printed materials, website and social media.
☐ Participate in local coalition building and outreach efforts.
☐ Participate in press events and/or write letters to the editor.
☐ Make a donation to the campaign.

For organizations please check all regions where you have operations (check all that apply):
☐ Statewide  ☐ Northern CA  ☐ Bay Area
☐ Los Angeles Area  ☐ San Diego  ☐ Central Valley
☐ Central Coast  ☐ Inland Empire  ☐ Orange County

Please email this completed form to: DavidJKoenig@gmail.com

By completing this form, you agree to be listed as a supporter in campaign materials. You will be signed up to receive e-mail updates from the Veterans and Affordable Housing Act campaign and can unsubscribe anytime.

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