

## 2019 Planning Commissioners Academy Legislative/State Budget Update

March 8, 2019

## 2019 Planning Commissioners Academy

### **Political Landscape**

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

### **Governor Newsom's State of the State**

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

### **Governor Newsom's State Budget**

#### Affordable Housing Funding:

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

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### **Governor Newsom's State Budget**

#### Homeless Funding and Assistance

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

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### **Governor Newsom's State Budget**

#### Homeless Funding and Assistance

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

### **Governor Newsom's State Budget**

#### Effort to Increase State Oversight and Control of Local Governments

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

### **Governor Newsom's State Budget**

#### Effort to Increase State Oversight and Control of Local Governments

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

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### **Existing Housing and Land Use Laws**

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

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### **Key Housing Bills 2019 Legislative Session**

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

### **Upzoning Near Transit/Single-Family Areas**

AB 725 (Wicks) Above Moderate-Income Housing

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

### **Upzoning Near Transit/Single-Family Areas**

AB 1279 (Bloom) High Resource Areas

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

### **Upzoning Near Transit/Single-Family Areas**

#### SB 4 (McGuire) Housing

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

### **Upzoning Near Transit/Single-Family Areas**

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

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

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### **Upzoning Near Transit/Single-Family Areas**

SB 330 (Skinner) Housing Crisis Act of 2019

Until Jan. 2030, a city may not:

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

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### **RDA/Tax Increment**

AB 11 (Chiu) Community Redevelopment Law of 2019

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



### **RDA/Tax Increment**

#### SB 5 (Beall) Local-State Investment Incentive Program

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

### **Voting Thresholds**

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

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

### **Voting Thresholds**

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

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

### **Accessory Dwelling Units (ADU)**

#### AB 68 (Ting) ADU

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

#### AB 69 (Ting) ADU

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

## **Accessory Dwelling Units (ADU)**

SB 13 (Wieckowski) ADU

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

## **Tenant Protections**

AB 36 (Bloom) Affordable Housing: Rental Price

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

### **Tenant Protections**

AB 1110 (Friedman) Rent Increases: Noticing

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

### **Impact Fees**

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

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

### **Impact Fees**

AB 1484 (Grayson) Fees: Reporting.

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

### **Homelessness**

AB 891 (Burke) Public Property: Safe Parking

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

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### **What can you do?**

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



Questions?