

HOUSING BILLS OVERVIEW

Preparing Housing Elements Under Recent State Laws
and Preview of 2019 Key Bills

Bay Area Planning Directors Association
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OVERVIEW

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- Legislature substantially changed housing and planning laws in 2017 and 2018
 - ▣ RHNA increases expected
 - ▣ Harder to identify appropriate parcels to accommodate growth in the Housing Element
 - ▣ Continued Emphasis on Objective Standards
- Expect more changes in 2019!

RHNA Allocation Process

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- Revised by AB 1771 and SB 828
- RHNA likely to be higher because **existing** overcrowding and cost burdens of existing households are added to need
 - ▣ No longer limited to **projected** household growth
- **HCD approval required** for final determination of regional need
 - ▣ HCD may attend COG meetings
 - ▣ HCD can appeal individual allocations

RHNA Distribution Methodology

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New Factors Must Be Considered

- ▣ GHG reductions
- ▣ Low-wage jobs and affordable housing balance
- ▣ ‘Affirmatively further fair housing’

Some Factors Can't Be Considered

- ▣ Existing zoning & growth limits [except ag preservation]
- ▣ Past failure to meet RHNA
- ▣ Stable population

Housing Element Site Inventory

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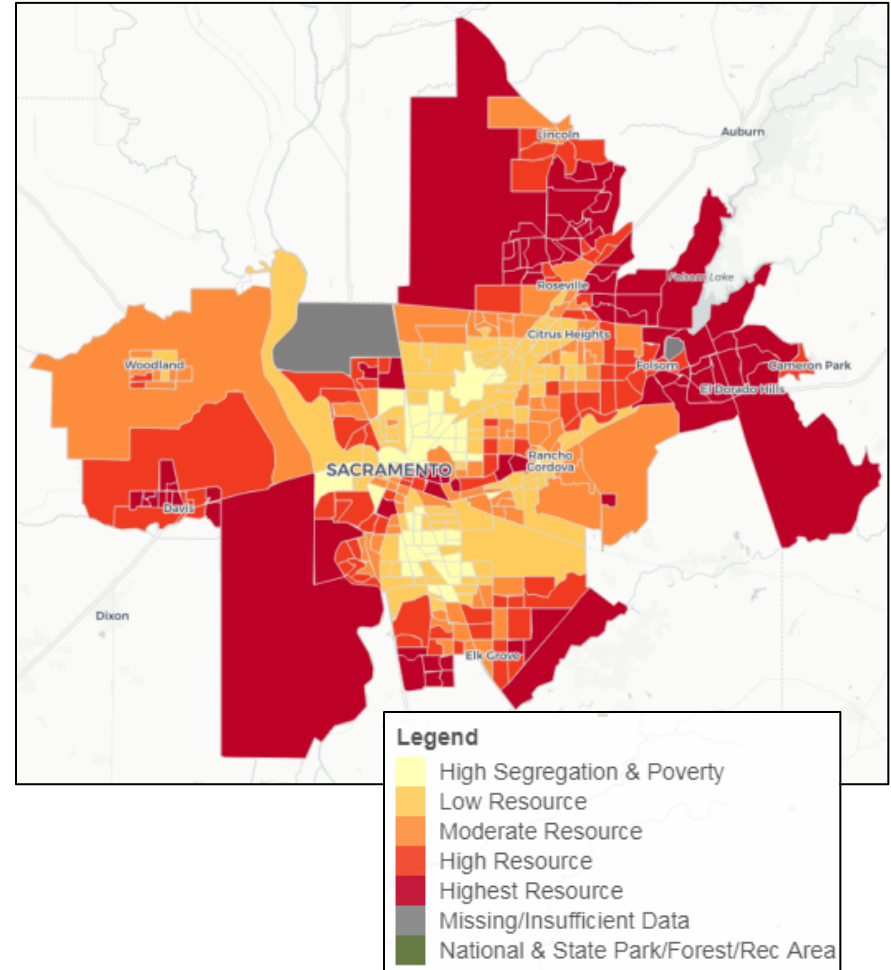
- Must designate specific sites that can “accommodate” the RHNA at each income level during the planning period (65583.2)
- Sites “accommodating” lower income housing must be at “default densities” of 20 – 30 du/A in metro areas

APN	Zone	DU/A	Acres	Units	Use	Income Category
041-0042-002	R-3	20-30 du/ac	2.0	40	Vacant	Lower
037-0400-027	R-2	10-20 du/ac	0.75	7	Duplex	Moderate
038-0100-040	R-1	5-10 du/ac	4.5	22	Vacant	Above Moderate
039-1100-039	CMU	20 du/ac	1.5	25	Parking	Moderate

Affirmatively Furthering Fair Housing

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- RHNA distribution and each local housing element must affirmatively further fair housing
 - AFFH means “taking meaningful actions...that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunities”



Sites Analysis

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- Development potential of sites under increased scrutiny
- Can't Use Sites Smaller than 0.5A or Larger than 10A Without Substantial Evidence
- Can't 'Reuse' Sites Unless Provide 'By Right' Zoning

Vacant vs. Non-Vacant Sites

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- If more than 50% of lower income sites on non-vacant sites, existing uses presumed to impede development absent findings
- Very strict definition of vacant v. non-vacant



“No Net Loss” Provisions (G.C. section 65863)

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- Applies when:
 - ▣ Any site in inventory either downzoned to reduce density; or approved at lower density than shown; OR
 - ▣ Site approved with fewer units at the income level shown in the inventory.
- Now applicable to all jurisdictions, including general law cities (SB 1333)

NO NET LOSS EXAMPLE

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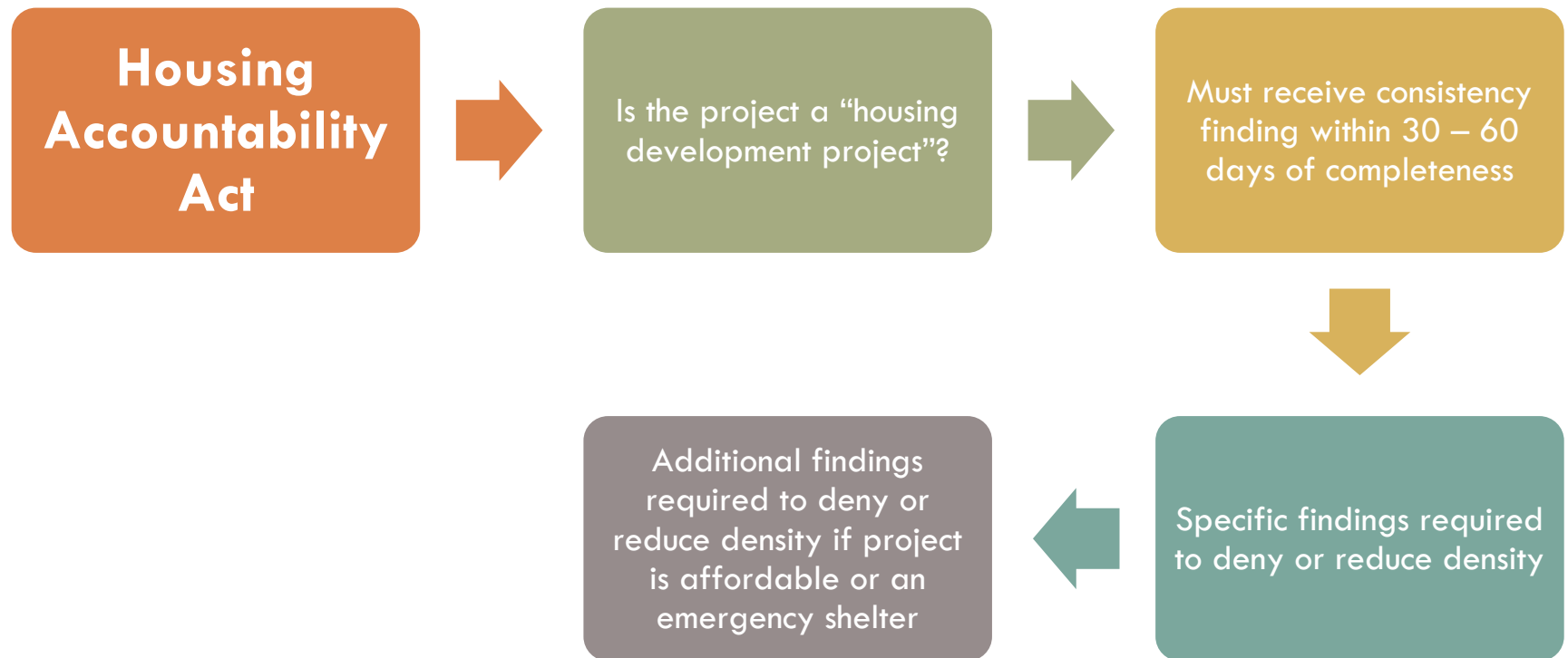
Options for Findings

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- Remaining sites in Element adequate to meet the RHNA at all income levels; or
- City approved more units on some site than shown in inventory or has other units at that income category; or
- Other sites NOT in Element can make up difference; or
- Another site “identified and made available.” Time limit of 180 days for income category only.

Gov. Code Sec. 65589.5 At A Glance

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What Is An “Objective” Standard?

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Gov’t Code Sec. 65913.4:

- “Standards that involve **no personal or subjective judgment** by a public official and are **uniformly verifiable** by reference to an external and uniform benchmark or criterion available and **knowable** by both the development applicant and the public official **prior to submittal.**”

What Is Not “Objective”?

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Objective

- Density requirements
- Height limitations
- Lot coverage
- Setbacks
- FAR requirements
- List of materials

Not Objective

- Must be compatible with adjacent uses
- Produce high quality design
- Reflect community character
- Site is not physically suitable for the use

HOUSING LEGISLATION FRENZY?

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California Housing Legislation Highlights

as of April 4, 2019

ACCESSORY DWELLING UNITS

SB 13, AB 68, & AB 69
Simplifies process of approvals and allows more houses to add Accessory Dwelling Units.

FUNDING

AB 10
Expands Low Income Housing Tax Credit funding program by \$500 million per year.

BALLOT MEASURES

SCA 1
Eliminates requirement that public housing be approved by ballot measure.

TRANSPORT

AB 1568
Ties transport funding to housing production.

AB 725
Limits use of sprawl as way to meet housing planning goals.

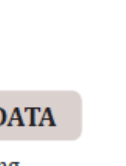
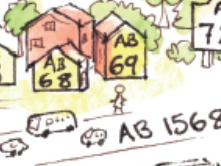
AB 11 & SB 5
Creates new local funding agencies for affordable housing, infrastructure, and community investment.

FASTER APPROVALS

AB 1484
Development fees published and constant throughout project approval process.

SB 330
Faster approvals for housing & zoning changes; no parking requirements; statewide ban on downzoning.

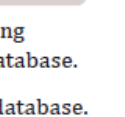
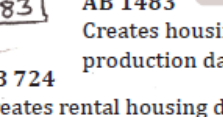
AB 1485 & AB 1706
Incentives and faster approvals for moderate-income housing built with prevailing (union) wage labor.



UPZONING

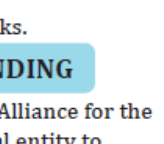
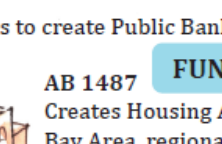
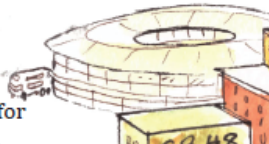
SB 50
Upzoning near jobs, good schools, and mass transit.

AB 1763
80% density bonus for affordable housing.

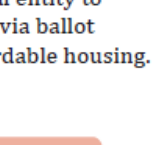
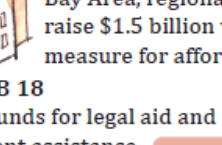
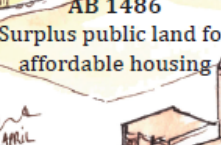
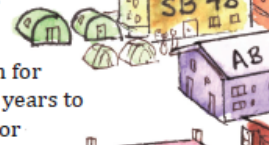


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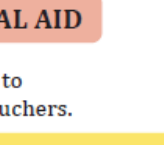
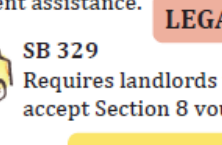
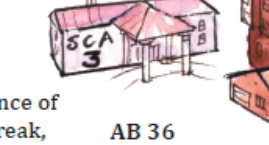
SB 48
By-right approval for homeless shelters.



AB 723
Property tax exemption for housing leased for 35+ years to nonprofits in Alameda or Contra Costa County.



SCA 3
Ends inheritance of Prop 13 tax break, unless heir lives in the house.



TAX POLICY

CC-BY Alfred Twu
mail@firstcultural.com
more details at tinyurl.com/2019housingbills

TENANT PROTECTIONS

AB 36
Costa-Hawkins reform, allows cities to rent control houses, condos, and new buildings after 10 years.

SB 529
Protections for tenant organizing

AB 1481
Statewide Just Cause limits to evictions.

AB 1482
Rent cap: Statewide limit to annual rent increases.

AB 1110
Longer notice required for rent increases: 60 days for under 10%, 90 days for 10-15%, 120 days for 15%+

AB 53
Ban the Box: no questions on criminal record on initial rental applications.

LEGAL AID

SB 18
Funds for legal aid and rent assistance.

SB 329
Requires landlords to accept Section 8 vouchers.

MOVE-IN ASSISTANCE

AB 437
Move-In Loans for security deposit and first month's rent.

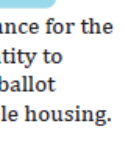
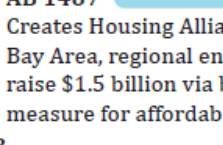
DATA

AB 1483
Creates housing production database.

AB 724
Creates rental housing database.

FUNDING

AB 1487
Creates Housing Alliance for the Bay Area, regional entity to raise \$1.5 billion via ballot measure for affordable housing.



Contact your representatives @ findyourrep.legislature.ca.gov

Anticipated Housing Legislation

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□ **Upzoning: AB 1279**

- Housing by right in high resource, low-density areas
 - 4 units and 20 foot height limit in single family zones
 - 40 units and 30 foot height limit in other zones in multi-family zones
 - 100 units and 55 foot height limit in mixed-use zones
- Affordability requirements based on local economics
- Exclusions for sites with rental housing and environmental constraints

Anticipated Housing Legislation

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- **Project Processing and Review: SB 330**
 - ▣ Declares housing emergency for 5 years
 - ▣ Vests fees and development standards with “preliminary application”
 - ▣ Limits review to 5 public hearings and reduces PSA time limits
 - ▣ Requires objective design standards and maintenance of residential capacity
 - ▣ Invalidates certain parking requirements, growth control measures and vote requirements

Anticipated Housing Legislation

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□ **Promoting ADUs**

- AB 68 and 69; SB 13: Reduces discretion for ADUs

□ **Tenant Protections**

- AB 1481 (rent stabilization) and AB 1482 (just cause)
- Costa Hawkins Reform?

□ **Project Funding**

- ACA 1: Reduces vote threshold for affordable housing financing
- SB 5 and AB 11: Potential ERAF shift and tax increment financing for affordable housing/infrastructure

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