

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE

Thursday, January 19, 2017, 3:30 p.m. to 5:00 p.m.

Location:

Bay Area Metro Center
Board Room
375 Beale Street
San Francisco, California

The ABAG Legislation and Governmental Organization Committee may act on any item on this agenda.

Agenda and attachments available at abag.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913.

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

2. PUBLIC COMMENT

INFORMATION

3. COMMITTEE ANNOUNCEMENTS

INFORMATION

4. APPROVAL OF ABAG LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE SUMMARY MINUTES OF MEETING ON NOVEMBER 17, 2016

ACTION

Attachment: Summary Minutes of November 17, 2016

5. REPORT ON DRAFT LEGISLATIVE PRIORITIES 2017

ACTION

Attachment: Draft Legislative Priorities 2017

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6. REPORT ON ABAG NEW LEGISLATION PROPOSED FOR 2017 LEGISLATIVE SESSION

ACTION

Brad Paul, ABAG Acting Executive Director, will review the following new legislation proposed for the 2017 legislative session.

Follow link to bill information.

AB 30 (Caballero), Planning and Zoning: Specific Plan: Housing. [AB 30](#)

AB 59 (Thurmond), Local Housing Trust Fund Matching Grant Program. [AB 59](#)

AB 73 (Chiu), Planning and Zoning: Housing Sustainability Districts. [AB 73](#)

AB 74 (Chiu), Housing for a Healthy California Program. [AB 74](#)

SB 2 (Atkins), Building Homes and Jobs Act. [SB 2](#)

SB 3 (Beall), Affordable Housing Bond Act of 2018. [SB 3](#)

SB 5 (De Leon), California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018. [SB 5](#)

Attachment: Legislation Summary 2017

7. REPORT UPDATE ON ACCESSORY DWELLING UNITS

INFORMATION

Duane Bay, ABAG Assistant Planning Director, will provide an update on accessory dwelling units.

Follow link to article and bill information.

Attachments:

What are Accessory Dwelling Units? [Article](#)

Analysis—AB 1934 (Santiago), Planning and Zoning: Development Bonuses. Mixed-use Projects. [AB 1934](#)

Analysis—AB 2442 (Holden), Density Bonuses. [AB 2442](#)

8. REPORT ON LEGISLATIVE SESSION 2015-2016

INFORMATION

Attachment: Legislative Session Final Status

9. REPORT ON PROPOSED LEGISLATIVE RECEPTION ON MARCH 22, 2017

INFORMATION

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10. ADJOURNMENT

The next meeting of the ABAG Legislation and Governmental Organization Committee will be on March 16, 2017.

Submitted:

/s/ Brad Paul, Acting Executive Director

Date Submitted: January 11, 2017

Date Posted: January 13, 2017

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SUMMARY MINUTES (DRAFT)

ABAG Legislation and Governmental Organization Committee Meeting
Thursday, November 17, 2016
Bay Area Metro Center

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG Legislation and Governmental Organization Committee Vice Chair Desley Brooks, Councilmember, City of Oakland, called the meeting of the Legislation and Governmental Organization Committee of the Association of Bay Area Governments to order.

A quorum of the Committee was present.

Members Present:

Chair, Supervisor Scott Haggerty, Alameda County
Vice Chair, Councilmember Desley Brooks, City of Oakland
Supervisor David Cortese, County of Santa Clara
Councilmember Julie Pierce, ABAG President, City of Clayton
Supervisor Mark Luce, Napa County
Mayor Bill Harrison, City of Fremont
Supervisor Karen Mitchoff, Contra Costa County
Supervisor David Rabbitt, ABAG Vice President, County of Sonoma

ABAG Staff:

Brad Paul, Deputy Executive Director
Halimah Anderson, Communications Officer
Fred Castro, Executive Assistant/Clerk of the Board

MTC Staff:

Randy Rentchler, Director of Legislation and Public Affairs

2. Committee Announcements

Councilmember Pierce noted that several members of the L&GO Committee, including Supervisor Luce and Mayor Harrison, lost their seats in the recent election. At some point a decision needs to be made on whether to fill those committee vacancies now or wait until the New Year.

3. Approval of Minutes: from September 15, 2016 Meeting

The meeting minutes were approved (8-0).

4. Brad Paul, ABAG Deputy Executive Director, presented an update on the status of Statewide Propositions. He then discussed recently chaptered legislation including **AB 1934 Planning and Zoning: Density Bonuses** and **AB 2442 Density Bonuses**.

5. Mark Shorett, ABAG Senior Regional Planner noted that **\$90 million** in Affordable Housing Sustainable Communities (AHSC) Program grants were awarded to Bay Area cities and counties for 2016. He noted that ABAG will announce the 2017 AHSC Project guidelines when available.

6. Adjournment

The next L&GO Committee Meeting will be held on **January 19, 2017**.

Legislation and Governmental Organization Committee

Draft Legislative Priorities for 2017 Legislative Session
Legislative Outcome

Legislation Priorities	
Subject	Specific Objectives
Focus on SB 375 Implementation	<p>This focus would include pursuing such legislative objectives as:</p> <ol style="list-style-type: none">1) Permanent funding and/or sufficient funds for COGs, MPOs, and local governments to fulfill SB 375 obligations.2) Seek additional housing funding.3) The reauthorization of Proposition 30 with a request that a percentage of future revenue be set aside for funding senior housing.<ul style="list-style-type: none">o Currently, Proposition 30 is set to expire in 2018. Actively work toward reauthorization legislation for Proposition 30.4) Pursue Housing Element Reform, e.g. housing credits for assisted living, acquisition/rehabilitation, and workforce housing investment/housing trust funds.5) Legislation providing resources and incentives for planning, infrastructure and services to assist local governments, as well as State and Federal legislation establishing innovative financing and project delivery mechanisms.6) CEQA/Entitlement Efficiency
Resiliency	<p>Focus of issues and legislation related to:</p> <ul style="list-style-type: none">• Improvement of residential building retrofit• Residential building codes• Common standards for disaster or safety performance

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ABAG

Seeking voter threshold reduction for infrastructure taxes and bonds statewide and locally	Continue legislative partnerships with CalCOG, MTC, Air District, BCDC, League of California Cities, and CSAC
Other ongoing priority issues	Focused tracking on issues related to: <ul style="list-style-type: none">• Local Government• Energy• Environment• Hazardous waste• Gun violence prevention
	Continue to monitor implementation of Cap and Trade program



ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

Bay Area Metro Center
375 Beale Street, Suite 700
San Francisco, CA 94105
(415) 820-7986

Website: www.abag.ca.gov/meetings

LEGISLATION SUMMARY 2017 State Legislative Session Legislation & Governmental Organization Committee January 19, 2017

Bill Number	Current Text	Status	Summary	ABAG Recom.	Positions: League CSAC MTC BAAQMD	L&GO Position
AB 30 (Caballero)	From Printer 12/06	New Bill	Planning and zoning: specific plan: housing. The Planning and Zoning Law requires a county or city to prepare and adopt a comprehensive, long-term general plan for the physical development of the county or city. This bill would authorize a legislative body of a city or county to identify an area of underperforming infill and direct the planning agency to prepare a specific plan, in accordance with the described provisions and specified additional procedures, to provide for immediate development within that area. The bill would require the specific plan to make certain findings relating to the need for affordable housing and to designate the specific plan area as an overlay zone in which development is permitted by right. The bill would require the legislative body to conduct at least one public hearing before approving a specific plan pursuant to these provisions to provide for community participation.			
AB 59 (Thurmond)	From Printer 12/13	New Bill	Local Housing Trust Fund Matching Grant Program. This bill would recast these provisions to instead authorize the department to make grants to eligible recipients, defined as cities that meet specified criteria and charitable nonprofit organizations organized under certain provisions of the Internal Revenue Code that apply jointly with a qualifying city, that have created or are operating or will operate housing trust funds. The bill would increase the maximum allocation for an eligible recipient to \$5,000,000. The bill would also provide that an eligible recipient would not be required to provide matching funds if the eligible recipient is suffering a hardship, as determined by the Department of Finance.			
AB 73 (Chiu)	Read First Time 1/4	New Bill	Planning and zoning: housing sustainability districts. This bill would authorize a city, county, or city and county, including a charter city, charter county, or charter city and county, to establish by ordinance a housing sustainability district that meets specified requirements, including authorizing residential use within the district through the ministerial issuance of a permit. The bill would authorize the city, county, or city and county to apply to the Office of Planning and Research for approval for a zoning incentive payment and require the city, county, or city and county to provide specified information about the proposed housing sustainability district ordinance.			

Bill Number	Current Text	Status	Summary	ABAG Recom.	Positions: League CSAC MTC BAAQMD	L&GO Position
AB 74 (Chiu)	From Printer 12/6	New Bill	Housing for a Healthy California Program. This bill would require HCD to, on or before October 1, 2018, establish the Housing for a Healthy California Program and on or before April 1, 2019, and every year thereafter, subject to on appropriation by the Legislature, award grants on a competitive basis to eligible grant applicants based on guidelines that HCD would draft, as prescribed, and other requirements. The bill would provide that an applicant is eligible for a grant under the program if the applicant meets specified requirements, including that the applicant identify a source of funding, as specified, agree to contribute funding for interim and long-term rental assistance, and agree to collect and report data, as specified. The bill would require an applicant awarded a grant to use the funds for specified purposes, including long-term rental assistance and interim housing.			
SB 2 (Atkins)	From Printer 12/6	New Bill	Building Homes and Jobs Act. This bill would enact the Building Homes and Jobs Act. The bill would make legislative findings and declarations relating to the need for establishing permanent, ongoing sources of funding dedicated to affordable housing development. The bill would impose a fee, except as provided, of \$75 to be paid at the time of the recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, per each single transaction per single parcel of real property, not to exceed \$225. By imposing new duties on counties with respect to the imposition of the recording fee, the bill would create a state-mandated local program. This bill would state the intent of the Legislature to enact legislation that would create the Secretary of Housing within state government to oversee all activities related to housing in the state.			
SB 3 (Beall)	From Printer 12/6	New Bill	Affordable Housing Bond Act of 2018. This bill would enact the Affordable Housing Bond Act of 2018, which, if adopted, would authorize the issuance of bonds in the amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would be used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs, as provided. This bill would provide for submission of the bond act to the voters at the November 6, 2018, statewide general election in accordance with specified law.			
SB 5 (De Leon)	From Printer 12/6	New Bill	California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018. This bill would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. The bill would provide for the submission of these provisions to the voters at the June 5, 2018, statewide primary direct election.			



California Department of Housing and Community Development

What are Accessory Dwelling Units?



Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. No matter what you call them, ADUs are an innovative, affordable, effective option for adding much-needed housing in California.

Recent state legislation gives California cities more flexibility and latitude for allowing homeowners to build ADUs. Three separate bills were introduced and signed by Governor Brown during the last session; [SB 1069](#)

(https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB1069) (Wieckowski), [AB 2299](#)

(https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB2299) (Bloom), and [AB 2406](#)

(https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB2406) (Thurmond). Each of these land use bills make it easier than ever for homeowners to take advantage of this attractive opportunity.

What are the benefits of ADUs?

ADUs are an **affordable** type of home to construct in California because they do not require paying for land, major new infrastructure, structured parking, or elevators.

ADUs can provide a **source of income** for homeowners.

ADUs are built with **cost-effective wood frame construction**, which is significantly less costly than homes in new multifamily infill buildings.

ADUs allow **extended families** to be near one another while maintaining **privacy**.

ADUs can provide as much **living space** as many newly-built apartments and condominiums, and they're suited well for couples, small families, friends, young people, and seniors.

ADUs give homeowners the **flexibility** to share independent living areas with family members and others, allowing seniors to age in place as they require more care.

What is HCD's role in terms of ADUs?

HCD provides technical guidance to cities with sample ordinances and other resources and guidance. HCD will continue to develop tools and strategies to assist local governments in promoting ADUs.

- [ADU Technical Assistance Booklet \(docs/2016-12-12-ADU-TA-Memo.docx.pdf\)](#)- (*Adobe PDF*)

Resources

- [Accessory Dwellings \(https://accessorydwellings.org/\)](https://accessorydwellings.org/)
- [Lilypad Homes \(http://lilypadhomes.org/\)](http://lilypadhomes.org/)

Coming Soon!

MyADU

MyADU will be a web-based resource and platform designed to support stakeholders interested in the construction or conversion of existing property into an Accessory Dwelling Unit. Homeowners across the state will be able to visit the site to get comprehensive “A to Z” support on the ADU construction process, and use the website as a platform to share their challenges and success stories with other homeowners through a moderated forum.

- Financing Options for Local Governments
- Ordinance Clearinghouse

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CONCURRENCE IN SENATE AMENDMENTS

AB 1934 (Santiago)

As Amended August 18, 2016

Majority vote

ASSEMBLY: 68-9 (June 2, 2016)

SENATE: 39-0 (August 23, 2016)

Original Committee Reference: **H. & C.D.**

SUMMARY: Creates a development bonus when a commercial developer enters into an agreement for partnered housing to contribute affordable housing through a joint project or two separate projects encompassing affordable housing. Specifically, **this bill:**

- 1) Provides that when a commercial developer has entered into an agreement for partnered housing to contribute affordable housing through a joint project or two separate projects encompassing affordable housing, the local government must grant the commercial developer a development bonus.
- 2) Provides that the agreement for partnered housing shall be between the commercial developer and the housing developer, shall identify how the commercial developer will contribute affordable housing, and shall be approved by the city, county, or city and county.
- 3) States housing shall be constructed on the site of the commercial development or on a site that is all of the following:
 - a) Within the boundaries of the local government;
 - b) In close proximity to public amenities including schools and employment centers; and
 - c) Located within one-half mile of a major transit stop, as defined in Section 21155(b) of the Public Resources Code.
- 4) Defines "partner" as the formation of a partnership, limited liability company, corporation, or other entity recognized by the state in which the commercial development applicant and the affordable housing developer are each partners, members, shareholders or other participants, or a contract or agreement between a commercial development applicant and affordable housing developer for the development of both the commercial and the affordable housing properties.
- 5) Provides that the development bonus for the commercial developer means: incentives, mutually agreed upon by the developer and the jurisdiction, that may include, but are not limited to, any of the following:
 - a) Up to a 20% increase in maximum allowable intensity in the General Plan, zoning ordinance, or other regulation.
 - b) Up to a 20% increase in maximum allowable floor area ratio.
 - c) Up to a 20% increase in maximum height requirements.

- d) Up to a 20% increase in minimum parking requirements.
 - e) Use of a limited-use/limited-application elevator for upper floor accessibility.
 - f) An exception to a zoning ordinance or other land use regulation.
- 6) Provides that affordable housing may be contributed by the commercial developer in one of the following manners:
- a) The commercial developer may directly build the units.
 - b) The commercial developer may donate a portion of the site or property elsewhere to the affordable housing developer for use as a site for affordable housing.
 - c) The commercial developer may make a cash payment to the affordable housing developer that must be used towards the cost of constructing the affordable housing project.
- 7) States that the affordable housing replacement provisions in State Density Bonus Law apply.
- 8) Provides that nothing shall preclude any additional allowances or incentives offered to developers by local governments pursuant to law or regulation.
- 9) Provides that, if the developer of affordable units does not commence construction of the units in accordance with the agreed upon timeline, the local government may withhold certificates of occupancy for the commercial development under construction until the developer has completed construction of the affordable units.
- 10) Requires, in order to qualify for a development bonus, a commercial developer to partner with a housing developer that provides at least 30% of the total units for low-income households or at least 15% of the total units for very low-income households.
- 11) Provides that nothing in this section shall preclude an affordable housing developer from seeking a density bonus, concessions or incentives, waivers or reductions of development standards, or parking ratios under existing density bonus law.
- 12) Provides that a development bonus shall not include a reduction or waiver of the requirements within an ordinance that requires the payment of a fee by a commercial developer for the promotion or provision of affordable housing.
- 13) Provides that a city or county shall submit to the Department of Housing and Community Development, as part of the annual report, information describing an approved commercial development bonus, including the terms of the agreements between the commercial developer and the affordable housing developer, and the developers and the local jurisdiction, and the number of affordable units constructed as part of the agreements.
- 14) Provides that no reimbursement is required by this act because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay the program or level of service.

15) Makes findings and declarations that the development of affordable housing is a matter of statewide concern and it is not a municipal affair, and therefore, this bill applies to all cities including charter cities.

16) Provides a sunset date of January 1, 2022.

The Senate amendments:

- 1) Add a sunset date of January 1, 2022.
- 2) Provide that a city or county shall submit to the Department of Housing and Community Development, as part of the annual report, information describing an approved commercial development bonus, including the terms of the agreements between the commercial developer and the affordable housing developer, and the developers and the local jurisdiction, and the number of affordable units constructed as part of the agreements.
- 3) Delete the requirement that affordable housing must be in close proximity to both pedestrian amenities and transit corridors, and instead requires housing to be located within one-half mile of a major transit stop, as defined in Public Resources Code Section 21155(b).
- 4) Define "partner" as the formation of a partnership, limited liability company, corporation, or other entity recognized by the state in which the commercial development applicant and the affordable housing developer are each partners, members, shareholders or other participants, or a contract or agreement between a commercial development applicant and affordable housing developer for the development of both the commercial and the affordable housing properties.
- 5) Provide that, if the developer of affordable units does not commence construction of the units in accordance with the agreed upon timeline, the local government may withhold certificates of occupancy for the commercial development, instead of the market rate units, until the developer has completed construction of the affordable units.
- 6) Delete the definition of "commence with construction."
- 7) Require, in order to qualify for a development bonus, a commercial developer to partner with a housing developer that provides at least 30% of the total units for low-income households or at least 15% of the total units for very low-income households.
- 8) Provide that nothing in this section shall preclude an affordable housing developer from seeking a density bonus, concessions or incentives, waivers or reductions of development standards, or parking ratios under existing density bonus law.
- 9) Specify that a development bonus for a commercial developer may include an exception to a zoning ordinance or other land use regulation.
- 10) Make numerous technical, clarifying changes.

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS: In 1979 the Legislature enacted density bonus law to help address the affordable housing shortage and to encourage development of more low- and moderate-income housing units. Density bonus is a tool to encourage the production of affordable housing that is used by both market rate and affordable housing developers. In return for inclusion of affordable units in a development, developers are given an increase in density over a city's zoned density and concessions and incentives. The increase in density and concessions and incentives are to offset the cost the affordable units which will be offered at a lower rent, as low as 30% of area median income. Developers that seek a density bonus must agree to restrict very low- and low-income rental units to affordable levels for 55 years.

State law specifies concessions and incentives that a local government may include in its density bonus ordinance including a reduction in site development standards, or a modification of zoning code requirements, or architectural design requirements that exceed the minimum building standards, and approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and are compatible with the project and the surrounding area. A developer or city can also propose other regulatory incentives or concessions that result in identifiable, financially sufficient, and actual cost reductions.

This bill seeks to encourage greater production of affordable units by creating a "development bonus" for commercial developers who partner with an affordable housing developer to construct affordable units. Affordable housing developers would receive a density bonus commensurate with the number of affordable units included in the development plus concessions and incentives. In addition to the density bonus and concessions and incentives provided for the affordable units, the commercial developer would receive a "development bonus" which means incentives agreed upon between the commercial developer and the local government, such as changes in zoning regulations that result in significant cost reductions.

The types of projects promoted by this bill could result in mixed-use developments, or could result in the commercial and residential developments on separate sites. A commercial developer may choose to build the units itself, or may opt to have an affordable housing developer build the units either onsite or offsite. A commercial developer also has the option of making a cash payment to an affordable housing developer to be used towards the cost of constructing the affordable housing project. If the affordable housing developer does not commence with construction at the agreed upon time, the local government may withhold certificates of occupancy for the commercial development under construction until the affordable units are completed.

Senate amendments make numerous technical and clarifying changes, add a reporting requirement, and add a sunset date of January 1, 2022.

Purpose of this bill: According to the author, "Local governments can be wary of high density residential development because of the corresponding increase in demand for public services and infrastructure. Conversely, in an era of tight budgets, local governments have more incentive to approve commercial developments which will increase revenues (i.e. hotels with transient occupancy tax or retail establishments which generate sales tax). AB 1934 represents a solution to all three of these dilemmas: a piece of California's affordable housing crisis solution which brings both residential and commercial developers to the table. ...AB 1934 seeks to marry two needs: a) the state's need for affordable housing; and b) local government's desire for increased

revenues, by encouraging non-traditional housing developers to enter the market and think outside the box in their developments."

Analysis Prepared by: Rebecca Rabovsky / H. & C.D. / (916) 319-2085

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CONCURRENCE IN SENATE AMENDMENTS

AB 2442 (Holden)

As Amended August 19, 2016

Majority vote

ASSEMBLY: 63-8 (May 19, 2016)

SENATE: 39-0 (August 23, 2016)

Original Committee Reference: **H. & C.D.**

SUMMARY: Requires local agencies to grant a density bonus, when an applicant for a housing development agrees to construct housing for transitional foster youth, disabled veterans, or homeless persons. Specifically, **this bill:**

- 1) Requires a local agency to grant one density bonus, when an applicant for a housing development seeks and agrees to construct a housing development that contains 10% of the total units for transitional foster youth, disabled veterans, or homeless persons, as those terms are defined in code.
- 2) Requires the units to be subject to a recorded affordability restriction of 55 years and to be provided at the same affordability level as very low-income units.
- 3) Specifies, for housing developments meeting the criteria of 1) above, that the density bonus shall be 20% of the number of the type of units giving rise to a density bonus, as specified, thus making the density bonus for 1) above, consistent with density bonus that a developer receives for senior housing units.
- 4) States that no reimbursement is necessary because a local agency has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

The Senate amendments make conforming changes to avoid chaptering conflicts with AB 2556 (Nazarian) and AB 2501 (Bloom), both of the current legislative session.

FISCAL EFFECT: According to the Assembly Appropriations Committee, no state fiscal impact. Local agencies have the authority to levy fees for related costs and thus, any local costs are not reimbursable.

COMMENTS: Density bonus law was originally enacted in 1979, but has been changed numerous times since. The Legislature enacted the density bonus law to help address the affordable housing shortage and to encourage development of more low and moderate income housing units. Density bonus is a tool to encourage the production of affordable housing used by both market rate and affordable housing developers. In return for inclusion of affordable units in a development, developers are given an increase in density over a city's zoned density and concessions and incentives. The increase in density and concessions and incentives are intended to financial support the inclusion of the affordable units.

All local governments are required to adopt an ordinance that provides concessions and incentives to developers that seek a density bonus on top of the city's zoned density in exchange for including extremely low-, very low-, low-, and moderate-income housing. Failure to adopt an ordinance does not relieve a local government from complying with state density bonus law.

Local governments must grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least any one of the following:

- 1) Ten percent of the total units for lower income households;
- 2) Five percent of the total units of a housing for very low income households;
- 3) A senior citizen housing development or mobilehome park; and,
- 4) Ten percent of the units in a common-interest development (CID) for moderate-income households.

A developer can submit a request to a local government as part of their density bonus application for incentives and concessions. Developers can receive the following number of incentives or concessions:

- 1) One incentive or concession for projects that include at least 10% of the total units for lower income households, at least 5% for very low income households, or at least 10% for moderate income households in a common interest development.
- 2) Two incentives or concessions for projects with at least 20% lower income households, at least 10% for very low income households, or at least 20% for moderate income households in common interest developments.
- 3) Three incentives or concessions for projects with at least 30% lower income households, at least 15% for very low income households, or at least 30% for moderate income households in common interest developments.

Typically, housing developments that serve special needs populations are financed using public funding to reduce the debt service on the projects. It's unclear whether or not market rate developers would opt to dedicate at least 10% of the units in development to transition age foster youth, disabled veterans, and homeless persons in return for increased density and concessions and incentives. In addition, these populations would be captured under the existing percentages for very low- and low-income households

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085

FN: 0004844



ASSOCIATION OF BAY AREA GOVERNMENTS
Representing City and County Governments of the San Francisco Bay Area

LEGISLATION
2015 – 2016 State Legislative Session—Final Status
Legislation & Governmental Organization Committee

	2016 Legislative Session	Status	L&GO Position
		Statutes of 2016	
AB 2406 Thurmond	Housing: Junior Accessory Dwelling Units	Chapter 755	Support
SB 1030 McGuire	Sonoma County Regional Climate Protection Authority	Chapter 151	Support
SB 32 Pavley	California Global Warming Solutions Act of 2006: Emissions Limit	Chapter 249	Watch
AB 197 Garcia	State Air Resources Board: greenhouse gases: regulation	Chapter 250	Watch
AB 1550 Gomez	Greenhouse gases: Investment plan: disadvantaged communities	Chapter 369	Oppose Unless Amended
AB 1934 Santiago	Planning and Zoning: Density Bonuses	Chapter 747	Watch
AB 2208 Santiago	Local Planning: Housing Element: Inventory of Land for Residential Development	Chapter 460	Watch
AB 2031 Bonta	Local Government: Affordable Housing: Financing	Chapter 453	Watch
AB 2299 Bloom	Land Use: Housing: 2nd Units	Chapter 735	Watch
AB 2442 Holden	Density Bonuses.	Chapter 756	Watch
AB 2584 Daly	Land Use: Housing Development	Chapter 420	Watch
SB 7 Wolk	Housing: Water Meters: Multiunit Structures	Chapter 623	Watch
SB 1000 Leyva	Land Use: General Plans: Environmental Justice	Chapter 587	Watch
SB 1069 Wieckowski	Land Use: Zoning	Chapter 720	Watch

	Bills that failed passage	Status	
Gov. 707	Gov. Trailer Bill Proposal	Failed to Pass	Watch and Seek Amendment
AB 2444 Garcia	California Parks, Water, Climate, and Coastal Protection	Failed to Pass Senate	Support
AB 2441 Thurmond	Housing: Workforce Housing in High-Cost Areas	Failed to Pass Senate	Watch
AB 2817 Chiu	Income Taxes: Credits: Low Income Housing	Failed to Pass Senate	Support
SB 879	Affordable Housing: Bond Act	Failed to Pass Assembly	No Position taken
AB 2842 Thurmond	Workforce Housing Tax Credit Pilot: Property Taxes	Failed to Pass	Support
SB 1233 McGuire	Joint Powers Authorities: Water Bill Savings Act	Failed to Pass	Support
SBX1-1 Beale	Transportation Funding	Failed to Pass	Support
AB 18	Disaster Relief: South Napa Earthquake	Failed to Pass	Support
ABX 1 24 Levine	Bay Area Transportation Commissioners	Failed to pass	Oppose

Legislation and Governmental Organization Committee

Members

Scott Haggerty, Supervisor, County of Alameda—*Chair*

Karen Mitchoff, Supervisor, County of Contra Costa

Harry Price, Mayor, City of Fairfield

David Cortese, Supervisor, County of Santa Clara—*Ex officio*

Julie Pierce, Councilmember, City of Clayton—*Ex officio*

David Rabbitt, Supervisor, County of Sonoma—*Ex officio*

1/5/17

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