

Production-Related Housing Bills, Part 3

ABAG-MTC Housing
Legislative Working Group

May 1, 2019



Production-Related Housing Bills for Review

Zoning

- AB 1279 (Bloom) *Housing Development in High-Resource Areas*

Fees/Transparency

- AB 1483 (Grayson) *Housing Data Collection and Reporting*

Streamlining

- AB 1485 (Wicks) *Streamlining for Missing Middle Housing*

Public Lands

- AB 1486 (Ting)/SB 6 *Public Lands for Affordable Housing*

Funding

- AB 11 (Chiu) *Redevelopment 2.0: California Redevelopment Law of 2019*



AB 1279 – Housing Development in High-Resource Areas

“Missing Middle” Housing

Highlights:

- Applicable in state-designated **high-resource areas**; designation can be appealed
- “**By-right**” approval of projects with 2 to 100 units, depending on existing zoning and parcel size
- Subject to local “**objective**” design standards, but cannot trigger CEQA or undermine fair housing law
- **Larger projects** eligible for state density bonus but also subject to affordability requirements
- Parcels with **existing rental units** (in use for the last 10 years) excluded
- Parcels in **environmentally sensitive areas** and open space excluded

High-Resource Area Definition

- Areas of high opportunity and low residential density not experiencing gentrification and displacement and not at high risk of future gentrification and displacement
- Designated by HCD by January 1, 2021 and every 5 years after, in consultation with CA Fair Housing Task Force and CA Tax Credit Allocation Committee



AB 1279 – Housing Development: High-Resource Areas

“Missing Middle” Housing

Current Zoning

Allowed Under AB 1279

I Single-Family Housing Only	II Residential Areas <i>Min. ¼-Acre, Near Major Road or Commercial Use</i>	III Housing & Commercial Development Allowed <i>Min. ½-Acre, Near Major Road or Commercial Use</i>
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1. Up to **4 units** and not more than **20 feet** high
2. Affordability requirement:
 - a. Affordable to households with incomes at 100 percent AMI

OR

 - b. Fee of 10 percent of difference between affordable and market rate for units

1. Up to **40 units** and not more than **30 feet** high
2. Projects ≤ 10 units:
 - a. Same affordability requirements as for SF-zoned parcels
3. Projects > 10 units:
 - a. 10 percent affordable to low- and 5 percent to very low-income HHs
 - b. Local inclusionary standards apply if higher

1. Up to **100 units** and not more than **55 feet** high
2. Affordability Requirements:
 - a. 50% total; 25 percent affordable to low- and 25 percent to very low-income HHs



AB 1483: Housing Data Collection and Reporting

- Bill's underlying assumption: Better data = better outcomes
- Seeks to improve quality and availability of information local governments provide related to housing project approvals, fees and zoning standards.
- Expands on data already reported through “APR” – annual performance report jurisdictions submit to HCD to require annual reporting to HCD **and MPOs**.
- Additional detail required, such as name of applicant, # units, permits issued, number of certificates of occupancy issued.
- Allows MPOs to request additional information from local jurisdictions about housing, subject to HCD approval and conditional on provision of technical assistance from MPO or HCD.
- Requires posting on web site of all fees, zoning and planning standards related to housing development projects.



AB 1483: Statewide Housing Data Strategy & Database

- Requires HCD develop a 10-year housing [data strategy](#) in its next revision of the CA Statewide Housing Plan
- Requires HCD establish an accessible statewide publicly accessible database with parcel-level housing data
- Requires HCD develop by January 1, 2022 protocols for data sharing, documentation, quality control, public access and promotion of open source platforms and decision tools related to housing data.



AB-1485 (Wicks): Streamlining Housing Development

Highlights

- Creates a new option for housing developers to qualify for the streamlining provisions of SB 35 (Wiener, 2017), which currently provides for ministerial approval for housing projects that meet “objective planning standards,” and numerous other requirements until January 1, 2026.
- Under current law, in jurisdictions falling short of their above-moderate income housing targets, to qualify for streamlining, projects over 10 units must include a minimum of 10% of units affordable to households earning **80% of Area Median Income (AMI)**
- Under AB 1485, a project could also meet this requirement by dedicating **20% of units to those affordable to households earning 120% of AMI or less, with the average income of the units affordable to those earning 100% of AMI or less.**
- Specifies that the rents charged for units dedicated to households earning 80-120% AMI be **20% below the fair market rate** for the county.



AB 1486 (Ting) – Surplus Lands Act Expansion and Revision

- Expands requirement that local agencies provide right of first refusal to affordable housing developers when disposing of surplus land.
- Revises and clarifies state and local process requirements; Sets 10% annual state surplus land disposal goal
- Requires that the Department of Housing and Community Development (HCD) create and maintain statewide inventory of local surplus public lands.
- Expands HCD's enforcement mandate.
- Permits 100% affordable development on surplus land regardless of zoning; Provision does not apply to exempt surplus land (ex: protected open space) or land ineligible for state affordable housing financing programs.



SB 6 (Beall) – Statewide Developable Land Inventory

- Requires the Department of General Services (DGS) to add to the state-owned surplus lands inventory a list of local lands suitable and available for residential development

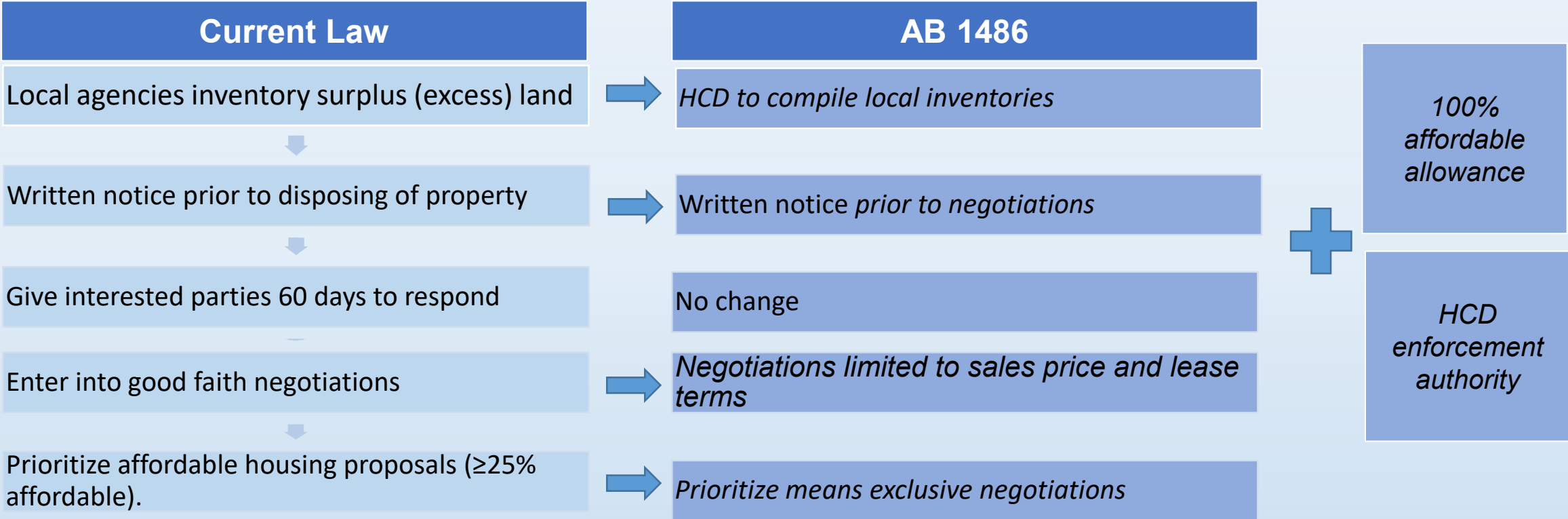


Local Surplus Land Disposal – AB 1486 Revisions

Scope

Land owned by cities, counties, *successors to redevelopment agencies*, and districts and not necessary for the local agency’s *governmental operations*. Land is presumed “surplus” when a local agency agency takes an action to dispose of it.

How it Works



Public Lands Bills: Discussion Questions

- **Surplus Lands Act Revisions** What does the committee think about the bill's transparency and clarifying provisions?
- **100 Percent Affordable Housing** What might the impact be of permitting 100% affordable housing on non-exempt surplus land? Does the bill's new provision tying this to affordable housing financing eligibility address concerns? Might this be a useful tool?
- **Inventory Tool** Would a central statewide land inventory support local governments and your partners in identifying development opportunity sites? What should it look like?



AB 11 (Chiu): Community Redevelopment Law of 2019

- Authorizes a city or county (or multiple cities) to form an Affordable Housing and Infrastructure Agency (AHIA) with authority similar to former redevelopment agencies, subject to approval of Strategic Growth Council (SGC)
- Agencies would have ability to use tax-increment finance for improvements in a specified area that need not be contiguous
- SGC approval would be based on fiscal impact to state and whether agency's plan would promote greenhouse gas reduction goals
- Annual local and statewide reporting required on projects funded to address concerns about lack of oversight and transparency under redevelopment



AB 11 (Chiu): Community Redevelopment Law of 2019

Wide array of eligible expenditures

Bonds could be used for any of the following purposes:

- Affordable housing for low, very low and moderate income households
- Transit priority projects located in a transit priority area
- Any project to implement an approved Sustainable Communities Strategy
- Roadway improvements, parking facilities, and transit facilities
- Sewage treatment and water reclamation plants and interceptor pipes
- Water collection and treatment facilities
- Flood control levees and dams, retention basins, and drainage channels
- Child care facilities
- Libraries
- Parks, recreational facilities, and open space
- Solid waste-related transfer and disposal facilities
- Brownfield restoration and other environmental mitigation
- Port or harbor infrastructure



ASSOCIATION OF BAY AREA GOVERNMENTS

METROPOLITAN TRANSPORTATION COMMISSION

AB 11 (Chiu): Community Redevelopment Law of 2019 Affordable Housing Provisions

- At least 30% of funds required to be spent on affordable housing for low and moderate income
- Deed restrictions required (55 years rental, 45 years ownership)
- Replacement requirement for loss of any low or moderate income housing as a result of an agency-funded project within ½ mile of the project within two years
- No destruction of existing low income units before existing residents have been relocated



AB 11 (Chiu): Community Redevelopment Law of 2019

Fiscal Provisions

- Other public agencies that receive property tax within the designated area would be held harmless by mandatory pass-through of taxes in amount they would have received without the AHIA
- Bonds could be issued without voter approval
- Statewide cap proposed –amount TBD–on total amount of debt to be issued as a way to minimize fiscal impact on state because all diverted school-related property taxes would be backfilled by state, similar to redevelopment.



AB 11 (Chiu): Community Redevelopment Law of 2019

Discussion Questions

- Should eligible expenditures be expanded to include other local resilience needs, such as sea level rise mitigation, fire mitigation, and seismic retrofit?
- Is there a concern about giving these new agencies the authority to take property by eminent domain?
- Is the bill's provision regarding the backfill of school funding sufficient protection to maintain school funding levels?

