

# Production-Related Housing Bills, Part 2

ABAG-MTC Housing  
Legislative Working Group

April 25, 2019



# Production-Related Housing Bills for Review

## Zoning

- SB 50 (Wiener)      *Upzoning Near Transit and Jobs-Rich Areas, By Right Fourplex Development*
- AB 1279 (Bloom)      *Housing Development in High-Resource Areas*

## Fees/Transparency

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



## SB 50 (Wiener): Upzoning Near Transit and Job-Rich Areas\*

Bill establishes a new “Equitable Communities Incentive” to projects meeting certain geographic, affordability, and other criteria:

On a parcel that allows housing as an underlying use in transit-rich or jobs-rich areas, SB 50 would allow:

- Up to 3 incentives under the state density bonus law (e.g. allow mixed-use, waiver from development standards such as setbacks)  
**Note: Amendments will clarify how these incentives interact with existing density bonus law**
- A waiver from density controls and parking minimums over 0.5 (parcels near a major transit stop have all minimums waived)

### Rail/Ferry Proximity Provisions

- In areas within **1/2-mile** radius of a rail or ferry station, also allow at least 45 feet tall and 2.5 floor area ratio (FAR)
- In areas within **1/4-mile** radius of a rail or ferry station, also allow at least 55 feet tall and 3.25 FAR

*\*See slides 4 and 5 for descriptions of “transit-rich” and “jobs-rich” areas*



# What is a Transit-Rich Area?

- An area within a ½-mile radius of a **rail station or a ferry terminal** that is a major transit stop, as defined in existing law, or a ¼-mile radius of a stop on a high-quality bus corridor.
- To qualify as a **high-quality bus corridor**, the bus corridor must have average service intervals that meets *all the following criteria and has met it for the last five years:*
  - 10 minutes during morning and afternoon peak, 6-10 AM, 3-7 PM
  - 20 minutes from 6 AM to 10 PM, on weekdays.
  - 30 minutes between 8 AM to 10 PM on weekends.



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# What is a Jobs-Rich Area?

- “Jobs-rich areas” not yet identified, but Senator Wiener’s office references Turner Center *Mapping Opportunity Project*  
<http://mappingopportunityca.org/>
- Bill provides census tracts shall be identified by Department of Housing & Community Development, in consultation with the Office of Planning & Research based on whether they are:
  - 1) Associated with **positive educational and economic outcomes** for households of all income levels living in the tract;
  - 2) New housing would enable residents to **live in or near a job-rich area** or would reduce commute distances compared to existing levels.
- Areas must be designated and mapped by 1/1/20 and updated every 5 years.





# Preliminary Summary of SB 50/SB 4 Deal\*

## *Geographic Thresholds to Upzoning & By-Right Development*

- **Exclusion Areas**

- In coastal zone, limited to infill parcels; Cities < 50,000 population in coastal zone exempt
- Very high fire hazard severity zones

- **Statewide: Allow fourplexes in all residential areas (vacant land & conversions)**

- **In counties > 600,000 population on parcels zoned for residential**

*Bay Area: Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara Counties*

- SB 50 “transit-rich” & “job-rich” upzoning provisions apply (see slides 4 and 5 for “transit-rich” and jobs-rich” designations)
- Exempts parcels designated as historic by 2010
- Reduces peak commute bus headways to minimum of every 10 minutes (from 15) and requires that the bus corridor has met this service level for the last five years
- Parking: no parking minimums around rail, 0.5 spaces/unit minimum elsewhere

*\*Analysis based on Senate Governance & Finance Committee summary since bill language not available at the time presentation was finalized*



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# Preliminary Summary of SB 50/SB 4 Deal\*

## *Geographic Thresholds for Upzoning & By-Right Development*

- **In counties < 600,000, on parcels zoned for residential**
  - Allows **fourplexes by right** (CEQA exempt) on vacant land and conversions, but no demolitions (75% of exterior wall must be intact; no more than 15% increase in square footage)
  - In addition to exemptions for high fire risk, coastal zones and historic districts, exempt parcels in flood plains
  - **In cities >50,000 population**
    - A waiver from density with minimum 30 units/acre in urban and 20 units/acre in suburban areas within 1/2-mile of rail & ferry stations,
    - No parking within ¼ mile in cities >100,000; 0.5 spaces/unit elsewhere
    - Height increases: Allows one story above current zoning
  - All other local regulations apply (setbacks, lot coverage, height, FAR)

*\*Analysis based on Senate Governance & Finance Committee summary since bill language not available at the time presentation was finalized*



# SB 50 Affordability Requirements by Project Size

Project Size	Inclusionary Housing Requirement
1-10 units	No affordability requirement.
11-20 units	Developer may pay an in lieu fee, where feasible, toward housing offsite affordable to lower income households.
21-200 units	<ul style="list-style-type: none"> <li>• 15% low-income OR</li> <li>• 8% very low-income OR</li> <li>• 6% extremely low-income</li> </ul>
201 – 350 units	<ul style="list-style-type: none"> <li>• 17% low-income OR</li> <li>• 10% very low-income OR</li> <li>• 8% extremely low-income</li> </ul>
351 units or more	<ul style="list-style-type: none"> <li>• 25% low-income OR</li> <li>• 15% very low-income OR</li> <li>• 11% extremely low-income</li> </ul>



Amendments anticipated related to in lieu fees to ensure affordable housing project is actually built, and is within 1/2-mile of original project and near transit.





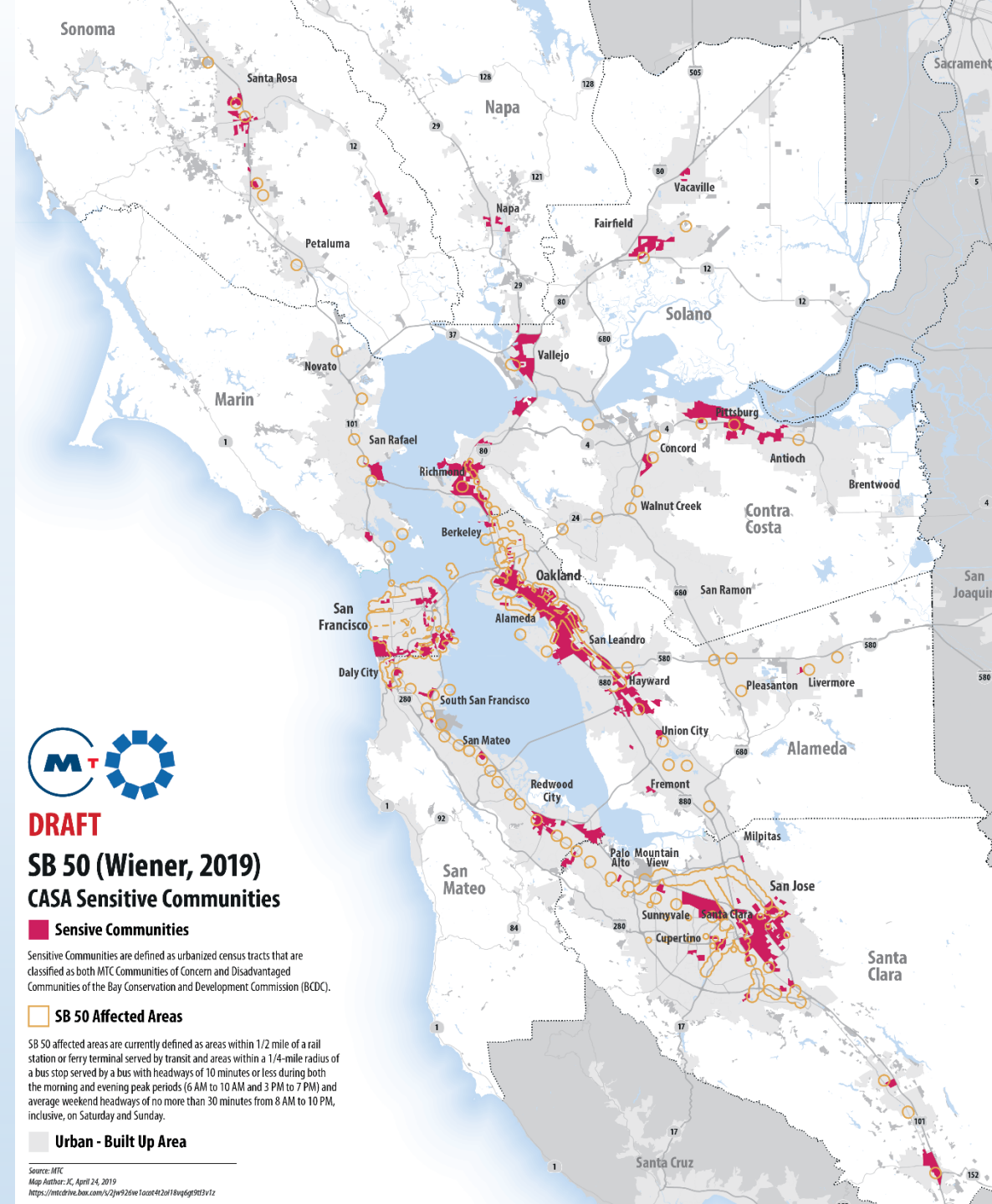
## SB 50 Anti-Displacement Protections

- Bill contains provisions to combat displacement pressures that result from new development potential as a result of upzoning.
- Exemption of property that had been occupied by a rental tenant within the last 7 years or property taken out of the rental market via Ellis Act in last 15 years.
- Up-zoning deferred in “Sensitive Communities” for 5 years while community develops a plan to encourage multifamily development at a range of income levels and protect residents from displacement (see next slide).



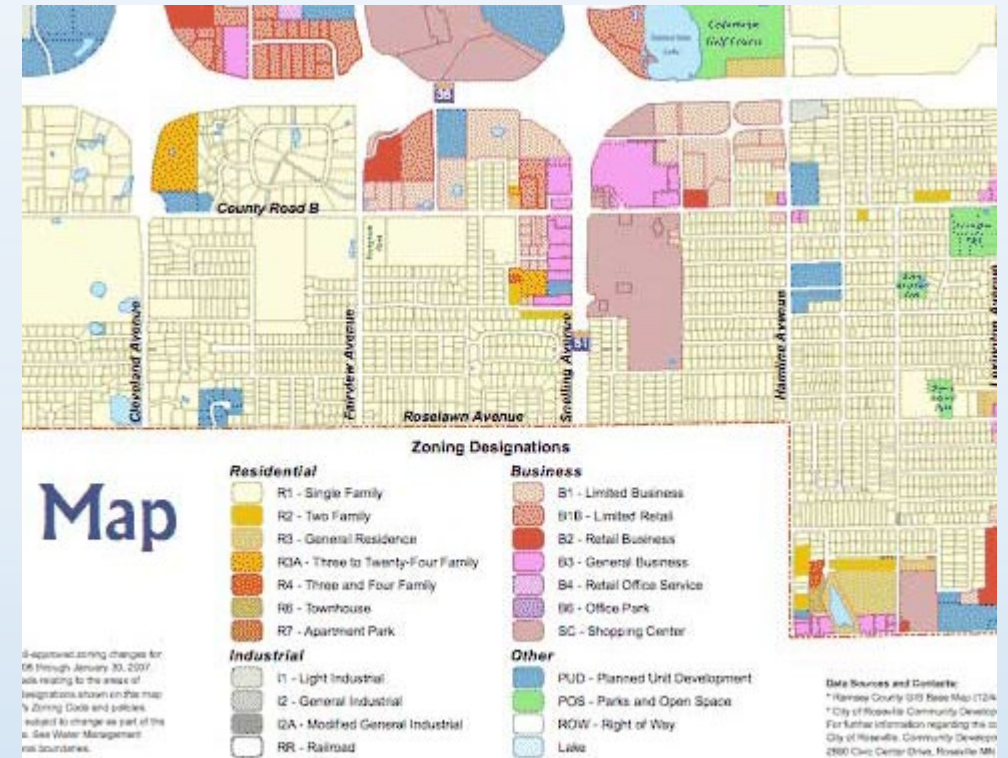
# Sensitive Communities: Five-Years to Develop a Community-Led Plan

- Bill's provisions are postponed in sensitive communities (SC) until 1/1/25.
- For Bay Area, SC defined the same way as in the CASA Compact (shown at right) but updated every 5 years by HCD.
- Amendments to require a jurisdiction in a sensitive community to request so by a petition signed by at least 20% of population in census tract.
- MTC/ABAG on-line map that overlays sensitive communities with region's transit stations can be found [here](#).



# SB 50 Interaction with Local Zoning Rules

- Local design standards would remain in effect as long as they don't conflict with bill's minimum height and FAR requirements
- Local mandatory **inclusionary requirements** for affordable units or **anti-demolition protections** stronger than those in the bill would remain enforceable





## SB 50 Discussion Questions

- Do the bill's new population thresholds (>600,000 for county, >50,000 for city in county <600,000) address concerns about the original bill having a one-size-fits-all approach?
- Is there a risk that leaving out smaller jurisdictions with rail and ferry stations could be a missed opportunity to facilitate more affordable housing in those communities?
- What does the committee think about the by-right fourplex allowance on projects that meet all other local zoning requirements, such as height, setbacks, etc. and only on vacant land or conversions?
- What does the committee think about including “jobs-rich area” category as a means to address the jobs/housing imbalance in non transit-rich areas?
- How can we further support your understanding of the bill?



# 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

- Area 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





## “Missing Middle” Housing

2-4 units and no more than 20 feet on single-family parcels, in high-resource areas



- Can be designed to compliment the existing neighborhood character.
- Increases walkability and safety by providing “eyes on the street.”
- Creates a diverse, multi-generational, mixed-income neighborhood.
- Provides “naturally” affordable housing without public subsidies.



# “Missing Middle” Housing

5-40 units and no more than 30 feet on larger lots adjacent to an “arterial” road or commercial area, in high-resource areas



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Image source: various developer websites

# AB 1279 – Housing Development: High-Resource Areas

## “Missing Middle” Housing

Current Zoning

Allowed Under AB 1279

<b>I</b> <b>Single-Family Housing Only</b>	<b>II</b> <b>Residential Areas</b> <i>Min. ¼-Acre, Near Major Road or Commercial Use</i>	<b>III</b> <b>Housing &amp; Commercial Development Allowed</b> <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  $\leq 10$  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 1279 – Housing Development: High-Resource Areas

## “Missing Middle” Housing

### *Discussion Questions*

- Many single-family homes are already two stories. Could tri- or fourplexes be designed to blend in?
- What does the group think about tying upzoning tied to high-resource areas, regardless of transit proximity?
- Do the proposed tenant protections in the bill go far enough, or go too far?
- Do the proposed affordability requirements in the bill go far enough, or go too far?



## 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 1483: Housing Data Collection and Reporting

## Discussion Questions

- Are there any concerns with the bill?
- If so, what are options to address them?

