

San Diego County Division Update - June 10, 2019

Legislative Timeline Overview

Bills must have been passed out of their house of origin no later than May 31. Summer recess begins July 12 with the Legislature reconvening on August 12. The 2019 Legislative Session ends on September 13. October 13 marks the last day for the Governor to sign or veto bills.

Budget Trailer Bills

Housing and Homelessness Planning/Infrastructure Budget Trailer Bill: As of 6/9/19, pending Administration and Legislature agreement includes: allocation of \$250 million for local housing planning grants and \$500 million for infill housing infrastructure to local governments. \$650 million to combat homelessness. \$500 million CalHFA mixed-income loan and \$500 million to expand Low Income Housing Tax Credit program. Legislative Budget Subcommittees have rejected links to SB 1 Transportation funds. Language of this proposal forthcoming, currently lack of language details.

Position: Pending - League is in close communication with Administration and appreciates the support of billions in the budget to help cities address the homelessness crisis, plan for housing, invest in infrastructure and fund affordable housing. League shares Administration's vision for an incentive-based program that will encourage cities to plan for more housing, with emphasis on higher-density housing and housing near transit. League will continue to encourage changes that will increase the likelihood that cities can and will utilize the programs to increase housing.

<u>Drinking Water Budget Trailer Bill:</u> Establishes the Safe and Affordable Drinking Water Fund. Marathon hearing on June 9th establishes \$134 million in continuous General Fund appropriation for next 10 years and no tax on water.

Position: Support. Vehicle for this measure is pending.

<u>Cannabis Trailer Bill:</u> The League recently raised issues over language that appears to allow unilateral and indefinite extension by a state licensing agency of provisional licenses.

Housing

HOT SB 330 (Skinner) Housing Crisis Act of 2019. (Asm. Desk) 6/19 HLCD Committee. Declares a statewide housing crisis and for a five-year period, prohibits a city from imposing parking requirements within one-quarter mile of a rail stop in large counties and large cities; and limits parking requirements to 0.5 spots per unit in all other jurisdictions. This measure also creates a new "preliminary application", which after submittal freezing fees and charges.

Position: Oppose - City letters of opposition requested — STATE APA

alsoveterne No lessm. Local Gov.

SB 50 (Weiner) Planning and zoning: housing development: incentives (Dead)

Would allow developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, parking requirements, and limit design review standards.

AB 1279 (Bloom) High Resource Areas. (Sen. Rules)

Requires HCD to determine "high-resource areas", areas of high opportunity and low residential density not experiencing displacement or gentrification. At the request of a developer, requires by-right approval for up to 100 units and 55 ft in commercial zones if the project meets affordability requirements and site limitations. Allows up to four units in single-family zones, and up to 40 units per ¼ acre in other zones allowing residential development.

Position: Pending

HOT AB 1763 (Chiu) Density Bonus. Affordable Housing. (Sen. Housing and Sen. Gov & Finance)
Greatly expands existing Density Bonus Law by requiring, at the request of a developer, for 100 percent affordable housing projects, a city or county must award an 80 percent density bonus and four incentives and concessions. For 100 percent affordable housing projects within one-half mile of a major transit stop or high quality bus corridor, a city or county would be required to allow unlimited density, four incentives and concessions, and up to three additional stories.

Position: Oppose Unless Amended

AB 1484 (Grayson) Mitigation Fee Act. Housing Developments. (Sen. Gov & Finance)

Requires, for certain types of housing development projects, each city and county to post each fee that is applicable to that project, on the city or county's website.

<u>This measure is also intended to implement the recommendations contained in the Mitigation Fee Act study that is scheduled for release on July 1, 2019.</u>

Position: Pending

Accessory Dwelling Unit (ADU) Legislation

AB 68 (Ting) Accessory Dwelling Units. (Sen. Housing)

Significantly amends the statewide standards that apply to locally-adopted ordinances concerning accessory dwelling units (ADUs). Changes include: prohibits minimum lot size requirements; requires at least 800 sq.ft. per ADU; requires approval within 60 days; and prohibits owner occupancy requirements. Position: Oppose Unless Amended

AB 881 (Bloom) Accessory Dwelling Units. (Sen. Housing)

Prohibits a local jurisdiction from requiring a property owner live in the main house or one of the accessory structures. Requires local agencies to ministerially approve ADUs on lots with multi-family residences and within existing garages. Adds a definition of "public transit" to mean a bus stop, bus line, light rail, street car, car share drop off or pick up, or heavy rail stop.

Position: Oppose Unless Amended

SB 13 (Wieckowski) Accessory Dwelling Units. (Asm. Desk)— 6/9 H CD Committee

Prohibits local jurisdictions from imposing any impact fees on ADUs less than 750 square feet, and limit
the charge on ADUs over 750 square feet to 25 percent of the fees otherwise charged for a new singlefamily dwelling on the same lot. Prohibits replacement parking when a garage, carport, or covered

parking structure is demolished or converted into an ADU. This measure also prohibits owner occupancy requirements.

Position: Oppose Unless Amended

Tenant Rights

AB 1110 (Friedman) Rent Increases. Noticing. (Sen. Judiciary)

Expands existing notice requirements to 120 days if the rent increase is more than 15%. *Position: Support*

SB 18 (Skinner) Keep Californians Housed Act. (Asm. Housing, Community and Economic Development)
Requires the Department of Housing and Community Development (HCD) to develop and publish a guide to all state laws pertaining to landlords and the landlord-tenant relationship. Requires HCD to survey each city to determine which cities provide resources or programs to inform landlords of their legal rights and obligations. Allocates funds to the California Emergency Solutions and Housing Program. Funds available to local governments and nonprofit organizations for activities including rental assistance and housing relocation and stabilization. Provides renters protection in June 13 foreclused as Position: Support

SB 329 (Mitchell) Discrimination. Housing. Source of Income. (Asm. Housing, Comm & Econ Dev)
Expands "source of income" definition to include state, federal, or local funds, and housing vouchers.

Position: Support

Employee Relations

HOT SB 542 (Stern) Workers' Compensation. Presumption. (Asm. Insurance)

Creates a new presumption for post-traumatic stress disorder within the workers' compensation system for police and fire personnel. Applies retroactivity provisions to January 1, 2017.

Position: Oppose - City letters of opposition requested

HOT <u>AB 1400</u> (Kamlager Dove) Workers' Compensation. Fire Service Personnel. (Sen. Coms. on L., P.E. & R. and APPR.)

Provides all presumptions within the Workers Compensation system currently authorized for active duty firefighters to "all fire service personnel." Will apply broadly to all non-sworn fire personnel. *Position: Oppose*

Elections and Public Records

HOT AB 849 (Bonta) Elections. Local Redistricting. (Sen. Rules)

Completely overhauls the districting and redistricting process for cities and counties. Requires four different public hearings (one meeting to be held either on the weekend or after 6:00pm during the week) regardless of population size. Requires the jurisdiction to provide live translation services for all applicable languages at each public hearing, among other things. Amended to apply to just cities and counties. *Position: Oppose*

AB 1184 (Gloria) Public Records. Writing Transmitted By Electronic Mail. Retention. (Sen. Judiciary) Requires all public agencies to maintain all transmitted emails for at least two years.

5B 302. Berman. Requires all community colleges to allow envolled students to sleep 3 in Parking lots; requires operation of sate parking program

Position: Oppose - working with author to remove opposition

Transportation

HOT AB 516 (Chiu) Authority to Remove Vehicles. (Sen. Trans)

Eliminates the ability for cities and law enforcement to adequately enforce state and local vehicle violations. Specifically, this bill would eliminate the ability for cities and law enforcement to 1) "immobilize," or place a boot on a vehicle, for motorists who ignore paying five or more parking tickets; 2) remove vehicles with expired registration that are operating illegally; and 3) remove vehicles in violation of parking time restrictions.

Position: Oppose - City letters of opposition requested - CALCHIEFS OPPOSED

Motorized Scooters

HOT AB 1112 (Friedman) Motorized Scooters. Regulation. (Sen. Trans)

Eliminates the ability for cities to fully regulate corporations that offer shared motorized scooters. *Position: Oppose*

HOT AB 1286 (Muratsuchi) Shared Mobility Devices. Agreements. (Sen. Judiciary)

Requires scooter share corporations to enter into an agreement with or obtain a permit from the city or county before deploying their devices into the jurisdiction and require companies to have a minimum of \$5 million for each occurrence of bodily injury. Also requires scooter share companies to comply with all operation, parking, maintenance, and safety rules imposed by the city or county with jurisdiction as well as prior authorization to operate from the city or county.

Position: Support

Cannabis

HOT AB 1356 (Ting) Cannabis. Local Jurisdictions. Retail Commercial Cannabis Activity. (Stalled/Dead) Requires all local jurisdictions whose voters supported Proposition 64 to issue a minimum number of local licenses for cannabis retail shops. Specifically, it requires jurisdictions to issue a minimum of one retail cannabis license for every six liquor licenses, or one retail cannabis license for every 15,000 residents, whichever is less.

Position: Oppose

AB 1288 (Cooley) Cannabis. Track and Trace. (Sen. Rules)

Requires the track and trace program for cannabis supply chain tracking to include both the date of retail sale to a customer and whether the sale is on the retail premises or by delivery. No later than July 1, 2020, requires that the California Department of Food and Agriculture, in consultation with the Bureau of Cannabis Control, ensures that the track and trace program is fully integrated with DOJ's California Law Enforcement Telecommunications System (CLETS).

Position: Support

AB 1417 (Rubio) Cannabis Advertisement and Marketing. Unfair Business Practice. Public Nuisance. (Sen. Business, Professions and Economic Development)

Provides that advertisement of cannabis goods that do not contain an active state license number is an unfair business practice, subject to a civil action by any person; creates a civil penalty enforceable by a

public attorney or through a private right of action for violations of existing requirements regarding advertisements of cannabis products; requires digital advertising platforms specializing in cannabis to publish a notice regarding the risks of purchasing cannabis products from unlicensed entities; and states that advertisements not containing an active state license number constitute a public nuisance. *Position: Support*

Use of Force

HOT AB 392 (Weber) Peace Officers. Deadly Force. (Sen. Rules)

Limits the use of deadly force by a peace officer to those situations where it is necessary to defend against a threat of imminent serious bodily injury or death to the officer or to another person. Defines the terms "necessary" to mean that given the totality of the circumstances, an objectively reasonable peace officer in the same situation would conclude that there was no reasonable alternative to the use of deadly force that would prevent death or serious bodily injury to the peace officer or to another person. Position: Oppose

HOT SB 230 (Caballero) Peace Officers. Deadly Force. (Asm. Desk)

Requires all law enforcement agencies in the state to maintain a policy on Use of Force, requires the policy to be made publicly accessible and requires the POST Commission to implement coursework for the regular and periodic training of law enforcement officers in the use of force. Tied it to AB 392 *Position: Support*

The Senate and Assembly Leadership has taken the lead on coming up with a compromise bill containing elements of AB 392 and SB 230 which all stakeholders can agree upon.

Economic Development

AB 10 (Chiu) Low-Income Tax Credit. (Sen. Housing)

Increases the state's Low Income Housing Tax Credit by \$500 million to build and rehabilitate much needed affordable housing.

Position: Support

HOT <u>SB 5</u> (Beall/McGuire) Affordable Housing and Community Development Investment Program. (Asm. Desk)

Creates a local-state partnership to provide up to \$2 billion annually to fund state-approved affordable housing, infrastructure, and economic development projects that also support state policies to reduce greenhouse gas emissions, expand transit oriented development (TOD), address poverty, and revitalize neighborhoods. This measure restores RDA-type ongoing financing for these important projects.

Position: Support – cities stand by for targeted action — Superior To AB 10

Public Safety

SB 23 (Wiener) Unlawful Entry of a Vehicle. (Asm. Pub Safety)

Clarifies that the unlawful entry of a vehicle with the intent to commit theft establishes the crime of auto burglary.

Position: Support - CALCHIEFS SUPPORT

Revenue and Taxation

HOT AB 213 (Reyes) Annexation Financing. (Sen. Rules)

Restores funding to 140 cities that lost funds following the annexation of inhabited territory; reestablishes previous fiscal incentives for cities that annex inhabited territory.

Position: Support

AB 1637 (Smith) Unclaimed Property Law. (Sen. Judiciary)

Authorizes the State Controller to automatically allocate to a state or local agency, without the requirement for an agency to file a claim, any unclaimed property in that agency's name received as part of the Controller's unclaimed property database.

Position: Support

HOT <u>ACA 1</u> (Aguiar-Curry) Local Government Financing. Affordable Housing And Public Infrastructure. Voter Approval. (Asm. 3rd Reading)

Reduces the local vote threshold for local bonds and taxes to invest in infrastructure and affordable housing from 2/3rds to 55 percent.

Position: Support - cities stand by for targeted action

Recycling

SB 54 (Allen) and AB 1080 (Gonzalez) California Circular Economy and Plastic Pollution Reduction Act. (SB 54 in Asm Natural Resources and AB 1080 at Sen. Desk)

Seeks to reduce 75% of single use plastic packaging and products sold in California by 2030 and require all single use plastics and packaging sold in the state to be recyclable or compostable by 2030. The bill also requires CalRecycle to develop a scoping plan to achieve this goal.

Position: Support – updated action alert pending bill committee assignment

SB 667 (Hueso) Greenhouse Gases. Recycling Infrastructure and Facilities. (Asm Natural Resources) Requires CalRecycle to develop, on or before January 1, 2021, a five-year investment strategy to drive innovation, support technological development and infrastructure, in order to meet the state's 2025 organic waste reduction target. The bill also seeks to identify priorities and strategies for financial incentive mechanisms for recycling markets.

Position: Support

Drones

HOT AB 1190 (Irwin) Unmanned Aircraft. State and Local Regulation. (Sen Rules)

Prohibits a state or local agency from adopting any law or regulation that bans the operation of an unmanned aircraft system. The bill includes the operation of small unmanned aircraft systems within the definition of hazardous recreational activity for purposes of public entity liability. Authorizes a local agency to adopt regulations to enforce a requirement that a small unmanned aircraft system be properly registered under existing federal regulations.

Position: Support



American Planning Association California Chapter

Making Great Communities Happen

April 3, 2019

Senator Nancy Skinner Room 5094 State Capitol Sacramento, California 95814

SUBJECT:

SB 330 (Skinner) - Oppose Unless Amended

Housing Crisis Act of 2019

In Senate Government & Finance Committee Wednesday, April 10th

Dear Senator Skinner:

The American Planning Association, California Chapter has taken an oppose unless amended position on SB 330 as recently amended. SB 330 would freeze or prohibit a number of housing-related requirements for 10 years with the goal of speeding up housing production in areas with the most severe housing shortages. We appreciate your staff meeting with APA to thoroughly discuss the issues that APA outlined in our original letter of concerns.

It is important to note that APA believes that the general concepts in the bill are worth pursuing. APA supports the freeze for local limits on the number of land use approvals or permits, as well as the imposition of a moratorium on housing development without a health or safety finding. Voiding requirements for local voter approval before key housing decisions are made also makes sense. In the amendments to the Permit Streamlining Act, APA also agrees with the clarification that in response to the local agency's determination that the application for development project is not complete, the local agency may only decide if an amended application has items on the submittal requirement checklist that were listed in the original list of items that were not complete. Jurisdictions should not be asking for new requirements beyond the list.

However, other provisions in the bill are too proscriptive and will have widely differing impacts depending on the circumstances in the city or county, notwithstanding our organization's general support for the concept of requiring jurisdictions to plan for and facilitate their fair share of housing development. A number of sections in the bill are also confusing, and the multiple repeated sections raise the concern that the bill may not be internally consistent. It also confers substantial benefits to developers without provisions to require affordability for the projects that will benefit from the restrictions placed on local planning departments.

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P: 916.736.2434 F: 916.456.1283 www.calapa.org In addition, it is difficult to judge if the requirements in the bill will really produce more housing faster and more affordably. Enforcement of required upzoning and requiring use by right on all of those sites would have more immediate impacts. A tight definition of "housing emergency" and who determines when it starts, and ends would also make for a cleaner process, rather than changing the entitlement procedures for projects every year based on fluctuations in the housing market.

Below are APA's major concerns:

Restrictions on General Plan, zoning and specific plan requirements

- -The General Plan, zoning and specific plan sections of the bill should be combined into one section rather than the repetitive differing code sections that are hard to read and sort out. The repetitive structure will lead to inconsistencies that a single list of imposed provisions would avoid.
- -Making the determination of "affected county or city" each year would be too difficult to implement. Instead, APA suggests that the bill use the SB 35 model: once a jurisdiction is determined to be subject to the provisions, there is a check every 4 years to determine if circumstances have changed.
- -The threshold of "land where housing is an allowable use" should be clarified. Even on agricultural land at least one house is allowed, but these rural lands should not be part of the state's effort to provide additional residential opportunities.
- -Changing land use designations to a less intensive use is extremely limiting and difficult to administer. It also makes it difficult to do long range planning and attract development. APA suggests instead focusing on residential capacity, expanding the no net loss provision that currently applies only to sites identified in the housing element to instead apply to all sites citywide.
- -Freezing requirements in effect on January 1, 2018 leaves a lot of critical requirements off the table. For instance, all of the housing requirements imposed in legislation last year could not be imposed, or new requirements related to a newly adopted General Plan or approved housing element, or wildfire, seismic, energy and inclusionary requirements. Many new building and efficiency measures are actually useful and do not increase costs. Ideally, the start date should relate to the date the emergency is ordered or specified, and limitations should be focused on increasing predictability by limiting non-objective standards but not focused on measures that result in healthier, safer, or more affordable communities, even if the requirements affect a developer's bottom line.
- -This same concern holds for the requirement that design standards cannot be imposed if they are not objective or if they are more costly than those in effect on January 1, 2018. The retroactive provisions will cause complete confusion. This will be hard to define, is too subjective and will be too difficult for the local agency to determine what will be covered. In some ways, any standard would increase costs. Efforts to improve fire safety, increase energy efficiency, etc. should continue to be permitted. It could also impede or undermine local requirements to meet other state priorities, such as the reduction of VMT and sustainability, and make standards objective. A better alternative would be to be more straightforward about what the bill is actually targeting.
- -Specific to S. 65850 that applies to zoning, (B) (i) prohibits a moratorium or other similar restriction on or limitation of housing development "other than to specifically protect against **an imminent threat** to the health and safety..." An imminent threat is an impossible threshold. The purpose of a moratorium is to prevent anticipated problems before they threaten the health and safety of residents, such as a moratorium for jurisdictions without water allocations or other legitimate health/safety issues such as potential wildfire threat. Such issues are not imminent, but they are clearly legitimate reasons for a building moratorium until measures can be put in place to deal with them.
- -The definition of "objective standard" is the definition of SB 35, but outside the SB 35 context it should be triggered from completeness, not application submittal, to be consistent with the Housing Accountability Act and the Permit Streamlining Act.

Amendments to the HAA

The changes in this new proposed section unfortunately include a number of amendments to the HAA that were strongly opposed by APA when the HAA was revised just two years ago.

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-It introduces a new concept of a "complete initial application" rather than using "complete application". APA is opposed to adding this new term. Cities and counties rely on the determination that an application is complete as a black and white determination that applies in numerous instances and statutes. When is "complete initial application" determined? What if the information is not actually complete? The completeness determination is already a short process, so this change does not even accomplish any new streamlining. This section would also restrict the imposition of new fees after this stage. Regulatory fees don't change but are imposed later in the project and are necessary. This is not a helpful new layer of requirements in the development process.

-Adding in (6) the SB 35 definition of "objective standard" to the HAA makes sense, but the trigger of having the standards in place "before submittal of an application" doesn't work with the "complete initial application" concept. Again, the trigger for non-SB 35 projects should be at the time the application is deemed complete. Freezing objective standards retroactively before submittal of a complete initial application is backwards.

-The new (o) raises a number of new issues. The addition of (D) helps get rid of the unlimited vesting issue from the original version of the bill. And although commencing the construction within 3 years following the date the project received "final approval" is consistent with the longer life of the permit just put into law last year, given the purpose of this bill, a shorter timeframe to inspire faster construction after approval is warranted. Since there is no deadline by which the developer has to pull the building permit, the developer has time before that clock starts to get financing, construction contracts, etc. in place and get started – 18-24 months should be more than enough time then to commence construction. Additionally, the exceptions in (E) and (3) don't work together. If the applicant initiates the change, it should be their risk that new standards apply. The density increase language in (E) is ok, but (3) makes it hard to know how to apply certain physical development standards to portions of projects, and it would be preferable for standards to apply to all (or none) of a project.

<u>Definition of "complete initial application"</u>

-As stated above, APA strongly objects to the addition of a new complete application layer. And, the new definition in S. 65941.1 does not include enough information to lock in a project as envisioned in this bill. The list of required information doesn't include for instance ownership verification, public notice information, materials required by the subdivision ordinance (if a map requested), landscape plan, or full environmental checklist/EA/or local equivalent.

-The standardized checklist in (b) is a reasonable concept, but the checklist should be developed by the jurisdiction, with requirements limited to those materials identified in advance. OPR could then develop a standard form for those jurisdictions without capacity to do their own.

Limit of three hearings

S. 65905.5 would limit hearings to three. That is an arbitrary limit and may not be enough for particularly large or controversial projects. Requiring a specific time requirement instead would still allow the local agency flexibility to complete all necessary hearings and is a fairer process.

S. 65913.3 – Another provision for specific projects similar to the earlier General Plan, zoning and specific plan limitations and freezing fees for 10 years

-Freezing changes on January 1, 2018 is too limiting as noted in the first three sections of the bill. And, to the extent the language is similar to the first three sections, APA has the same concerns as noted above.

-Restricting fees to the amount in place as of January 1, 2018 is particularly problematic as is eliminating all fees for affordable housing. There are legitimate reasons fees may either increase or decrease over ten years and those fees and costs can't be shifted to existing residents. There is also no liability protection offered to jurisdictions in exchange for a process that forces them to cut corners at risk to public health and safety. And, not all jurisdictions have funding to waive fees — this is a major new mandate.

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Process for projects required to have a conditional use permit, zoning variance, or other permit

In (B) (3) of 65913.10, the bill would "lock historic status at time of completeness". This will not always be possible. If this is not done correctly, this provision could lead to the unconscionable loss of legitimately historic building, neighborhoods, districts, cultural artifacts, and Native American tribal resources. It may not always be possible to tell what may underlie a site at the completeness stage.

Amendments to the PSA

Language should be added to prevent the clock from running while a developer is withholding information.

New S. 65950 - Limits on hearings and total approval process time

-As stated, the three hearings limit is arbitrary and may not be enough depending on the size and complexity of the project. It also isn't clear if the limitation includes study sessions, Planning Commissions which have specified authority under state law, or appeals.

-This section now also limits consideration and final action on a project to no longer than 12 months. Twelve months is not nearly long enough to complete an EIR if one is required. It is important to note that the PSA is designed to complete CEQA first and then project approval must occur within 12 months. But since the bill now requires the CEQA timeline to be mandatory not directory, CEQA would have to be completed within the PSA timeline. It isn't possible to meet CEQA and review comments and make changes. Courts now are requiring much more detail and analysis and CEQA requires certain things that take longer than the bill's timeframe. It is better not to rush it and lose in court – that takes longer.

If you have any questions, please contact our lobbyist, Sande George, with Stefan/George Associates, sgeorge@stefangeorge.com, 916-443-5301.

Sincerely,

Eric S. Phillips

Vice President, Policy and Legislation - APA California

cc: Senate Government and Finance Committee, Republican Caucus

OPR, Governor's office