

Report on ABAG to MCCMC

May 2019

GENERAL ASSEMBLY:

Please register for the ABAG General Assembly scheduled for **June 6, 2019 at the Oakland Scottish Rite Center** located at 1547 Lakeside Drive in Oakland. You should have received the agenda along with the draft budget and work plan for 2019-2020 which will be the subject of our business meeting. I will send another notice to each city/town delegate and alternate along with the draft budget and work plan that you can send to your city clerk to ensure you are registered.

PLAN BAY AREA 2050:

ABAG/MTC is finalizing the planning effort called "Horizon" that precedes development of Plan Bay Area 2050. In May, the ABAG Executive Board was scheduled to take action on the proposed Regional Growth Framework. Unfortunately, the discussion and action on proposed legislation dominated our Board meeting. The ABAG Administrative Committee will be taking action on behalf of the Executive Board in June 2019 on the following proposed framework.

The revised framework includes **two categories for self-nominated Priority Development Areas (PDA's)** to allow greater flexibility while incorporating new mobility & equity into the mix. PDAs that do not already align with one of the two categories would need to address this by late 2019.



As reflected above, the two categories for self-nominated PDAs are:

- 1) **'Transit Rich PDAs'** where:
 - a. The PDA Plan for housing and job growth, including affordable housing, adopted or to be completed by 2025; and,
 - b. At least 50% of land in PDA is within ½ mile of an existing or planned rail station, ferry terminal, or bus line with headways of no more than 15 minutes in peak periods (i.e., Transit Priority Area).
- 2) **The new category for PDA's is called a Connected Community PDA where:**
 - a. The PDA Plan for housing and job growth: adopted, or to be completed no later than 2025; and,
 - b. At least 50% of land in PDA is within ½ mile of an existing or planned bus line with headways of no more than 30 minutes in peak periods; and,
 - c. One of the following:
 - i. The PDA is located in a high resource area (HRA) as defined by the California Department of Housing and Community Development (HCD) [NOTE: refer to: https://haasinstitute.berkeley.edu/sites/default/files/mappings/TCAC/opportunity_map_2019.html]; or
 - ii. The jurisdiction has adopted or made a commitment to adopt, two or more policies shown to reduce vehicle miles traveled by January 2020.

There are no changes proposed to the definition or criteria for Priority Conservation Areas (PCAs).

However, there is a new Pilot Program being introduced for Plan Bay Area 2050 called **Priority Production Areas (PPAs)** which ABAG has been studying since Plan Bay Area 2013 for areas zoned industrial use or has a high concentration of industrial activities where the area does not overlap with a PDA and does not include land within one-half mile of a regional rail station, and the local jurisdiction has a certified Housing Element.

Proposed PPA Definition

- 
Zoned for **industrial use** or with high concentration of industrial activities
- 
Not located in a PDA and not within one-half mile of a regional rail station*
- 
Jurisdiction has a **certified housing element**

ABAG/MTC will be issuing a letter to jurisdictions asking for the following:

Next Steps

1a	Align PDAs	Already meeting newly proposed PDA requirements: No action required	Not meeting transit requirements: CTA to identify transit improvements needed by September 2019
			Not meeting planning requirements: City/county to identify start date by September 2019 ; complete by 2025
			Not meeting policy requirements: City/county to make commitments by January 2020 and advance policies by 2025

1b	New PDAs			
2	New PCAs	Submit letter of interest by September 2019	Resolution adopted by city council, board of supervisors, or elected board by January 2020	Incorporate in Preferred Plan Bay Area 2050 in winter 2020
3a	PPAs			

LEGISLATION:

On May 10, 2019, the ABAG Legislative Committee met for over 8 hours and actively discussed the bills that had been discussed by the ABAG/MTC Housing Legislative Working Group (HLWG). On May 16, 2019, the Legislative Committee recommended and the ABAG Executive Board took the following actions. Staff announced that the following bills will not be discussed for the reason indicated:

- 1) **SB 254 (Hertzberg):** The Resilient Homes Initiative. Limits the amount of the investment grade revenue bonds or other debt financing to an amount up to \$1B outstanding at any time, excluding those specified costs. **Died in Committee**

- 2) **SB 50 (Wiener):** Equitable Communities Incentives – Up zoning near Transit & Jobs-Rich Areas & by Right Allowance for Small Residential Projects in Specified Areas. Allows varying degrees of higher density multifamily housing to be built within ½-mile of transit stations, ¼-mile of high-quality bus corridors and in areas designated as ‘jobs-rich’ by the Department of Housing and Community Development.

Held in Appropriations Committee until January 2020

- 3) **AB 1697 (Grayson):** Tenancy Termination: Just Cause.
Bill not moving forward since Grayson will be authoring AB 1481 (see below).
- 4) **AB 11 (Chiu):** Community Redevelopment Law of 2019. Restores to cities and counties the option to form an entity that can use 'tax-increment financing' to pay for affordable housing and other local infrastructure priorities, subject to approval of the Strategic Growth Council.
2-year Bill.

The following bills were on the May 16, 2019 ABAG Executive Board Consent Calendar:

- 5) **AB 393 (Nazarian):** Building Standards. Requires the CA Building Standards Commission to assemble a functional recovery working group to consider whether a 'functional recovery' standard is warranted for all or some building occupancy classifications and to investigate the practical means of implementing that standard.
SUPPORT – Unanimous
- 6) **AB 429 (Nazarian):** Seismically Vulnerable Buildings Inventory. Requires the Alfred E. Alquist Seismic Safety Commission to identify funding and develop a bidding process for hiring a third-part contract to create an inventory of potentially vulnerable buildings; requires the third-party contractor, in conjunction with the Commission, by July 1, 2022, to develop a statewide inventory of potentially seismically vulnerable buildings in 29 specific counties in CA using information developed by local jurisdictions.
SUPPORT – Unanimous
- 7) **SB 6 (Beall):** Statewide Housing Site Inventory. Requires that the Department of Housing and Community Development add to the statewide surplus lands inventory locally-identified site available for housing development as identified in a local agency's housing element site inventory.
SUPPORT – Unanimous
- 8) **AB 1485 (Wicks):** Workforce Housing. Modifies affordability requirements applicable to a developer who wants to take advantage of current law's by-right provisions in SB 35 (Wiener, 2017) such that a project could either dedicate 10% of the total number of units to housing affordable to households making below 80% of the area median income (AMI) as provided for in current law or 20% to households earning below 120% AMI with an average income of units at or below 100% which the bill would add as a new option.
SUPPORT – Unanimous
- 9) **AB 69 (Ting):** Development of Small Home Building Standards. Requires HCD to propose small home building standards governing ADU's and homes smaller than 800 square feet.
Support and Seek Amendments – Unanimous. Amendments include: Add a provision directing the state to generate and make available to local government's template ADU design prototypes consistent with the small state building codes, as proposed by the bill.

On May 16, 2019, the ABAG Executive Board discussed and took positions on the following bills:

- 1) **AB 68 (Ting):** Accessory Dwelling Units. Prohibits local ADU standards from including certain requirements related to minimum lot size, FAR or lot coverage and parking spaces; requires an ADU (attached or detached) of at least 800 square feet and 16 feet in height to be allowed; and reduces the allowable time to issue a permit from 120 days to 60 days.
SUPPORT and seek amendments – 17 to 3. Amendment includes: 1) Ensure that local jurisdictions may require sprinklers for an ADU if they are required for the primary residence.
- 2) **SB 13 (Wieckowski):** Accessory Dwelling Units. Requires local government allow studio and one-bedroom ADUs of at least 850 square feet and two-bedroom or more ADUs of up to 1000 square feet, and would prohibit ADU owner-occupancy requirements. Maintains local jurisdictions' ability to define height, setback, lot coverage,

parking and size of an ADU related to a specified amount of total floor area; prohibits local agency from requiring the replacement of parking if a space is demolished to construct an accessory dwelling unit; allows a local agency to count an ADU for purposes of identifying adequate sites for housing; and expires January 1, 2040. **NOTE: Both the League of California Cities and the California State Association of Counties are opposed unless amended.**

SUPPORT if amended – 17 to 3. Amendments include: 1) Remove the provision prohibiting localities from imposing owner-occupancy requirements on ADUs; 2) Reduce the impact fee waiver threshold from 750 square feet to 500 square feet, consistent with the existing school development fee exemption; 3) ensure local jurisdictions retain the ability to require fire sprinklers for ADUs, if sprinklers are required for the primary residence; and, 4) talk with the author about structuring fee offsets in a manner to incentivize deed-restricted affordable ADUs.

- 3) **SB 330 (Skinner):** Housing Crisis Act of 2019. Prohibits a local agency from disapproving, or conditioning approval that renders infeasible, a housing development project for very low, low-, or moderate-income households or an emergency shelter unless the local agency makes specified written findings based on a preponderance of the evidence in the record; specifies that one way to satisfy that requirement is to make findings that the housing development project or emergency shelter is inconsistent with both the jurisdiction's zoning ordinance and general plan land use designation as specified in any element of the general plan as it existed on the date the application was deemed complete; requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect; requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least \$10,000 per housing unit in the housing development project on the date the application was deemed complete; until January 1, 2030, would specify that an application is deemed complete for these purposes if a complete initial application was submitted. **NOTE: Both the League of California Cities and the California State Association of Counties are opposed unless amended.**

Seek Amendments – Unanimous with the following amendments: 1) Eliminate the freeze on impact fees after January 1, 2018; 2) Ensure existing requirements applicable to disabled parking in residential developments are not affected by the limitations on local minimum parking requirements; 3) Have further discussion with the author regarding inclusion of provisions related to voter initiatives in the bill; 4) Work with the author related to local parking requirements within ¼-mile of a major transit stop based on local conditions; 5) Eliminate the bill's 'look back' provision on zoning standards that would allow projects to be approved at higher levels of density than current zoning if that higher density was in effect prior to January 1, 2018. I made the following friendly amendment which was accepted: 6) Work with the author related to local parking requirements on narrow streets.

- 4) **AB 1487 (Chiu):** Housing Alliance for the Bay Area. Establishes the Housing Alliance for the SF Bay Area that would increase affordable housing in the San Francisco Bay area by providing for enhanced funding and technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production; establishes a governing board composed of members appointed by MTC and ABAG; authorizes the entity to exercise various specified powers, including the power to raise revenue and allocate funds throughout the SF Bay area, subject to applicable voter approval requirements and other specified procedures; requires the board to provide for annual audits of the entity and financial reports.

SUPPORT -- 13 to 7

- 5) **SB 18 (Skinner):** Keep California Housed Act. Authorizes a competitive grant program to be administered by Department of Housing and Community Development to provide emergency rental assistance and legal aid for tenants facing eviction, mediation between landlords and tenants and legal education.

SUPPORT – Unanimous

- 6) **AB 1481 (Bonita): Tenancy Termination: Just Cause.** Prohibits eviction of a tenant without just cause stated in writing. Requires tenant be provided a notice of violation of lease and opportunity to cure violation prior to issuance of notice of termination. AB 1481 is identical to AB 1697 with one exception. AB 1697 applies the proposed just cause provisions to a tenancy after 12 months. Assembly Member Grayson is the new author of AB 1481 and will evaluate including the exception.
SUPPORT – 18 to 3
- 7) **AB 1482 (Chiu): Statewide Annual Cap on Rent Increases.** Caps annual rent increases by 5% above the percent change in the cost of living and limit the total rental rate increase within a 12 month period to 10%.
SUPPORT -- 14 to 8
- 8) **AB 1483 (Grayson): Housing Data/Transparency.** Requires local agencies to provide additional reporting of housing permit requests, production and permitting data annually, and requires the Department of Housing and Community Development to develop an online database of housing production data accessible to the public.
Support and seek amendments – Unanimous. Amendments include: 1) Clarify that the provision related to regional data requests is intended to apply region wide and not to data requests from individual jurisdictions; 2) Broaden the regional agencies that may request additional data to include Council of Governments, not just the Metropolitan Planning Organizations.
- 9) **AB 1486 (Ting): Surplus Lands Act Expansion and Revision.** Requires local agencies to prioritize affordable housing, as well as parks and open space, when disposing of land no longer necessary for the agency’s use – and other state laws related to making surplus public land available for affordable housing development.
SUPPORT if amended – 16 to 3. Amendments include: 1) Expand negotiations scope beyond sales and lease price to ensure that valid topics such as a project’s financial viability are not prohibited in the scope of negotiations; 2) Ensure that the bill would not limit a successor to a redevelopment agency’s ability to comply with existing asset disposal requirements, as mandated in ABX1 26; 3) Amend the provision permitting residential use for 100% affordable housing developments to limit the allowance to those projects that have received local subsidies; and, 4) Ensure that the proposed changes apply to land disposals initiated after the effective date of the bill.

ABAG Legislative Committee and ABAG Executive Board have not discussed nor taken positions on the following bills at this time:

- 10) **AB 587 (Friedman):** Authorize an ADU that was ministerially approved to be sold or conveyed separately from the primary residence to a qualified buyer if the property was built or developed by a qualified nonprofit corporation and a deed restrict exists that ensures the property will be preserved for affordable housing.
- 11) **AB 881 (Bloom):** Expands scope of ADU ordinance outside single family home zones; requires ministerial approval for units built in garages; eliminates ability of local jurisdiction to mandate that an applicant for an ADU permit be an owner-occupant.
- 12) **AB 671 (Friedman):** Requires a local government to include a plan in their housing element to incentivize and promote the creation of ACUs that can be offered at an affordable rent for very-low, low-, and moderate-income households.

ABAG EXECUTIVE BOARD: The ABAG Executive Board took the following actions on May 16, 2019:

- 1) Approved the following:
- a. Authorization to enter into a new funding agreement with the US EPA for the Transforming Shorelines Project for \$1,481,109 anticipated to begin May 2019 and end April, 2023;
 - b. Authorization to revise sub-award amounts in the Urban Greening Bay Area Project for the City of Sunnyvale to decrease to \$50,000 and for the City of San Mateo to increase by \$200,000 for a total of \$400,000.

- c. Authorization to revise contract funding levels under existing BATA funding for the San Pablo Avenue Stormwater Spine Project; Reduce EBMUD underground utility work agreement to \$665,000 and add Wilsey Ham, Inc for \$50,000 I project design coordination through December 31, 2019.
- d. Authorization to enter into a new funding agreement with the CA Department of Water Resources for up to \$3,020,000 for Bay Area Integrated Regional Water Management Plan for the Disadvantaged Community and Tribal Involvement Program.
- e. Ratification of Appointments to the Joint ABAG MT Governance Committee of four Supervisors and two City Council Members. Vote: 18 to 3 This Governance Committee will be convening and is considered a Brown Act Committee.

HOUSING LEGISLATIVE WORKING GROUP (HLWG): The ABAG/MTC Housing Legislative Working Group (HLWG) met on May 1, 2019; and, will be meeting on May 23, 2019 to receive feedback. Depending on whether additional discussion is desired, the group may or may not meet on May 31, 2019.

ABAG DELEGATES AND ALTERNATES MEETING: On April 30, 2019, the Marin ABAG delegates/alternates met and discussed the following issues. I am meeting individually with those Marin ABAG delegates/alternates that had a conflict and would like to be briefed. If you are interested, please contact me as soon as possible. Our next meeting will be on either July 29, 30 or 31, 2019.

- 1) Proposed growth strategies and implications for Marin County related to PDAs, PCAs, New Priority Areas (PPA, TPA and HRA) and cross cutting issues.
- 2) Regional Housing Needs Allocation (RHNA). ABAG will be sending out a letter to all jurisdictions this summer indicating that the upcoming schedule for the RHNA process. In the letter, ABAG will be asking if counties want to continue to be considered as a sub-region (2 counties), and/or would like to become a sub-region (1 county to date). The Marin ABAG delegates and alternates received a briefing on what it means to be a sub-region and have asked for additional information. This item will be discussed again at our next meeting to determine next steps.
- 3) ABAG General Assembly. Reviewed and discussed the agenda along with the draft work plan and budget subject to a vote of the general membership in June, 2019.

UPCOMING MEETINGS¹

- **May 22, 2019 --** MTC Commission, 9:30 am
- **May 23, 2019 --** Housing Legislative Working Group, 7:00 to 9:00 pm
- **Tentative - May 31, 2019 -** Housing Legislative Working Group, 1:00 to 3:00 pm
- **June 6, 2019 --** ABAG General Assembly
LOCATION: Oakland Scottish Rite Center located at 1547 Lakeside Drive, Oakland
- **June 7, 2019 --** Joint ABAG Administrative and MTC Planning Committees, 9:00 am
Joint ABAG and MTC Legislation Committees, 9:15 am
- **June 26, 2019 --** MTC Commission, 9:30 am
- **July 12, 2019 –** Joint ABAG Administrative and MTC Planning Committees, 9:00 am
Joint ABAG and MTC Legislation Committees, 9:15 am
- **July 18, 2019 --** ABAG Executive Board
ABAG Legislative Committee, Finance Committee
- **July 24, 2019 --** MTC Commission, 9:30 am

If you have questions, contact Pat Eklund, Council Member, City of Novato at 415-883-9116 and/or pateklund@comcast.net).

¹ All meetings are held at 375 Beale Street in San Francisco, unless noted otherwise.