



Fall Housing Policy Forum:

Legislative Year in Review, Policy Trends and Highlights



October 8th, 2024

Opening Remarks



Mario Orso
SANDAG CEO

Agenda

Timeline	Agenda
12:00 – 12:10 p.m.	Welcome & Session Overview
12:10 – 12:50 p.m.	Overview of 2023/24 Legislative Session
12:50 – 1:05 p.m.	Audience Q&A
1:05 – 1:40 p.m.	Panel: Reactions to Trends, Budget, and Upcoming Bills
1:40 – 1:55 p.m.	Audience Q&A
1:55 – 2:00 p.m.	Closing

Legislative & Budget Speaker



Holly Fraumeni De Jesus
Partner, Lighthouse Public Affairs

- Leads state housing legislative initiatives and local/regional affordable housing preservation, production and protection efforts statewide
- Lead lobbyist and strategist for the Committee to House the Bay Area (CASA), United Way Greater Los Angeles, Habitat for Humanity CA, SPUR, CA YIMBY, San Diego Housing Commission
- Over a decade of specializing in creative legislative campaign strategies to overcome opposition to local planning and housing policy reforms

Overview of 2023/24 Legislative Session

- Review of Political Landscape
- Budget & Ballot Initiatives
- Legislative Themes

2024 Legislative Session Context

Political Landscape

- Leadership and Committee Changes
- November 2024 General Election
 - "At Risk" Incumbents and Open Seats
 - Republican Caucus (Housing Policy is Bipartisan)
 - All Politics is Local
- Enforcement
 - HCD Accountability Unit
 - Collaboration with Attorney General
 - 7500 New Units Approved
- Local Government Planning and Accountability

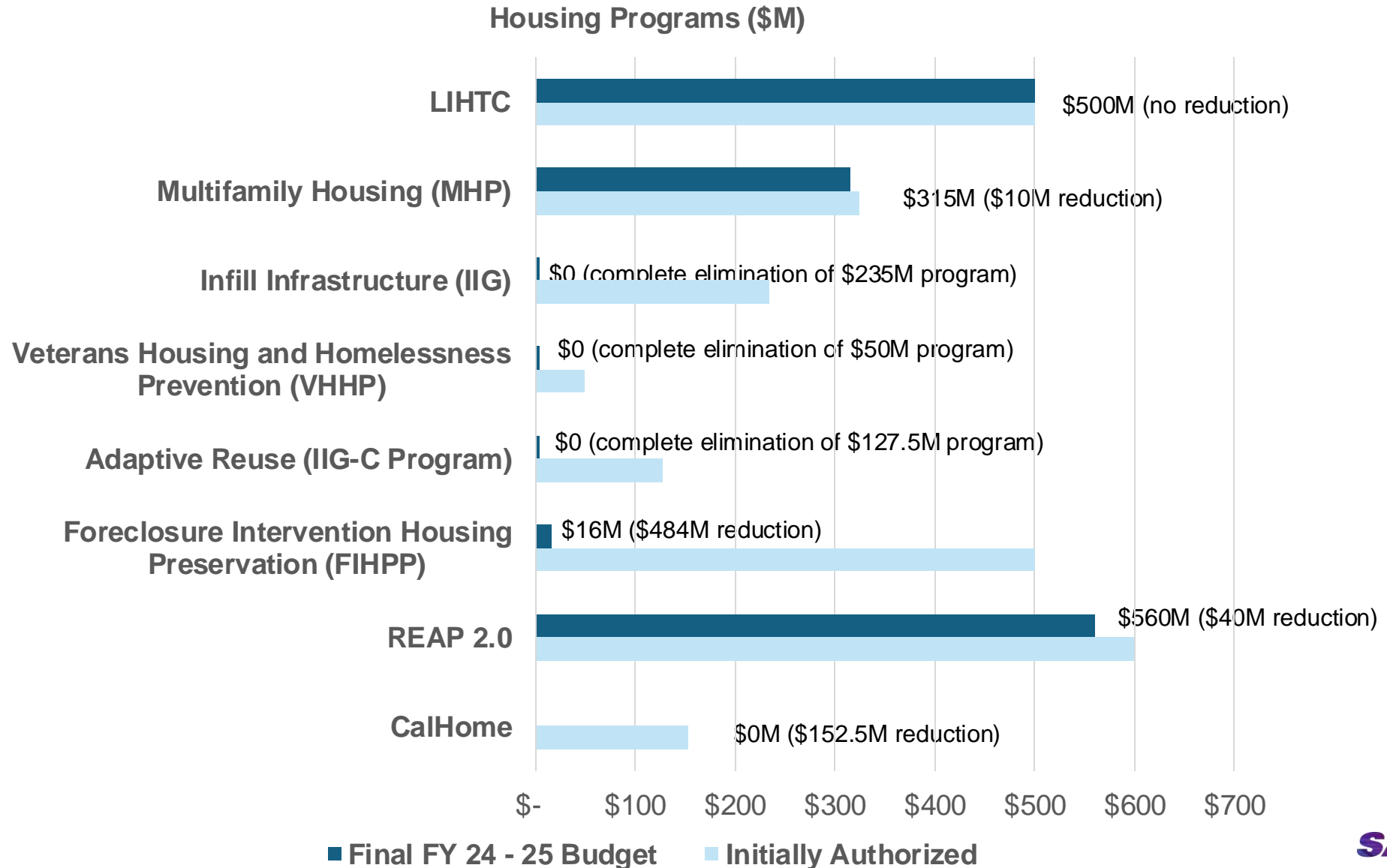


2024 Legislative Session Context

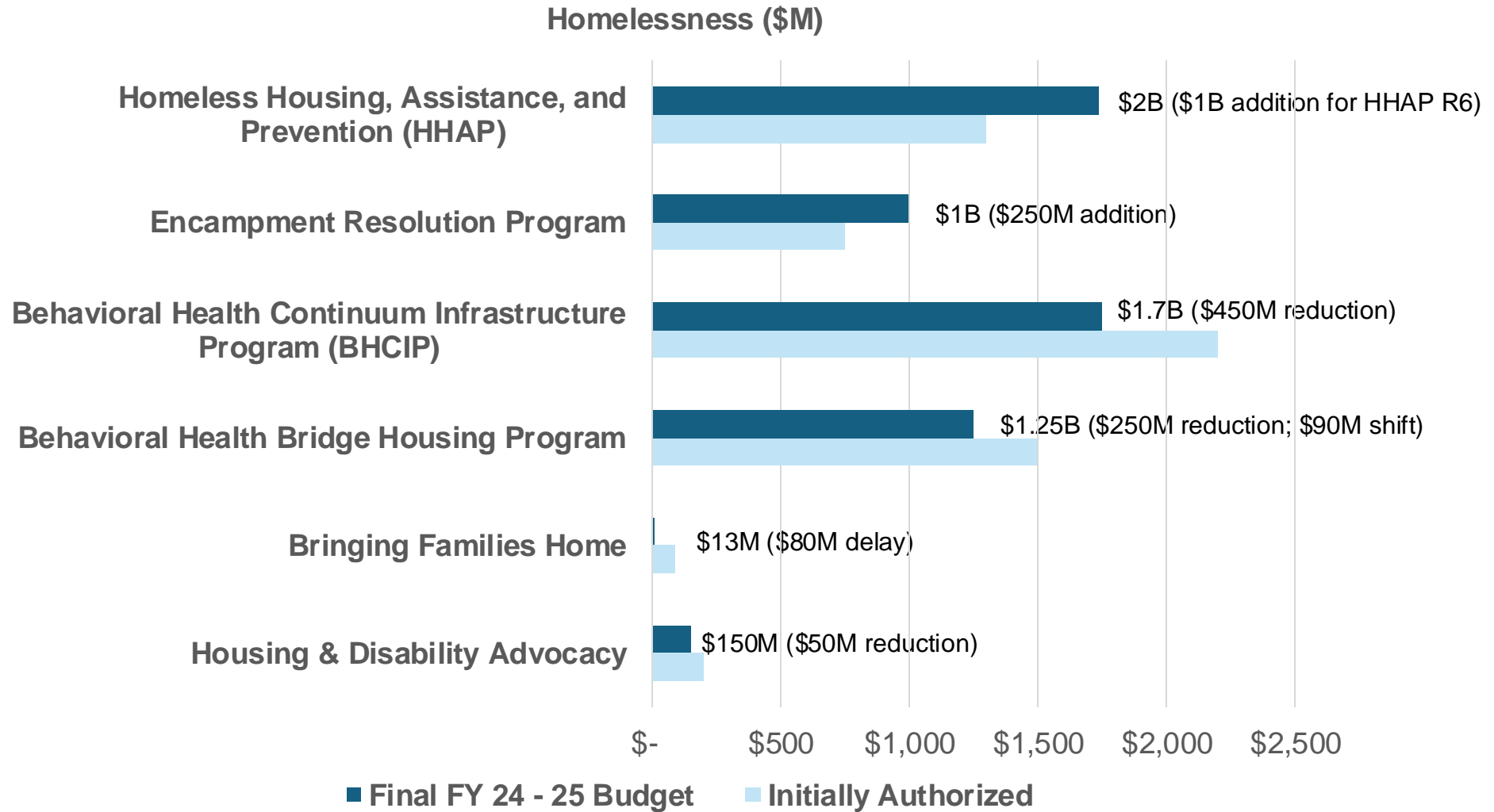
State Budget, Bonds, Local Initiatives

- Budget: Dramatic cuts to State Housing Programs (-\$1.2B)
- March Ballot: Proposition 1
- Accountability Measures
- New Revenue Initiatives
 - AB 1657 (Wicks) State Housing Bond Stalls
 - California Business Roundtable Ballot Initiative, ACA 1, and ACA 13
 - School and Climate Bonds
 - Regional BAHFA Measure – pulled from November 2024 ballot
 - LACAHSAs Sales Tax (citizens' initiative)
 - SB 440 (Skinner) - Establishing New Regional Housing Finance Agencies

Budget: Housing Programs - \$1.2B in reductions



Budget: Homelessness Programs – net neutral



Housing on the Ballot for 2024:

November

Statewide Ballot

Proposition 2: Funding School Facilities

Funds \$10B of repairs, renovations, and construction for K-12 and community colleges, which could include housing

Proposition 5: ACA 1 / ACA 10 / AB 2813

Lowers the voter approval threshold for public infrastructure and affordable housing special taxes and bonds to 55%.

Proposition 33: Justice for Renters Act

Removes state-level restrictions on local governments' power to enact rent control, affecting building financial feasibility.

Local Ballot

LA County: Measure A

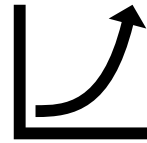
Generates \$1.25B annually through a half-cent sales tax for affordable housing, mental health care, and substance abuse treatment. 30%+ (\$440M) to LACAHSAs.

*LACAHSAs: LA County
Affordable Housing
Solutions Agency.*

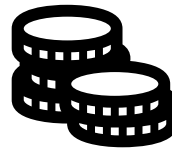
2024 Housing Legislative Themes



Accountability, Transparency, and Enforcement



Maximizing Density on Underutilized Properties



Cost of Construction / Production

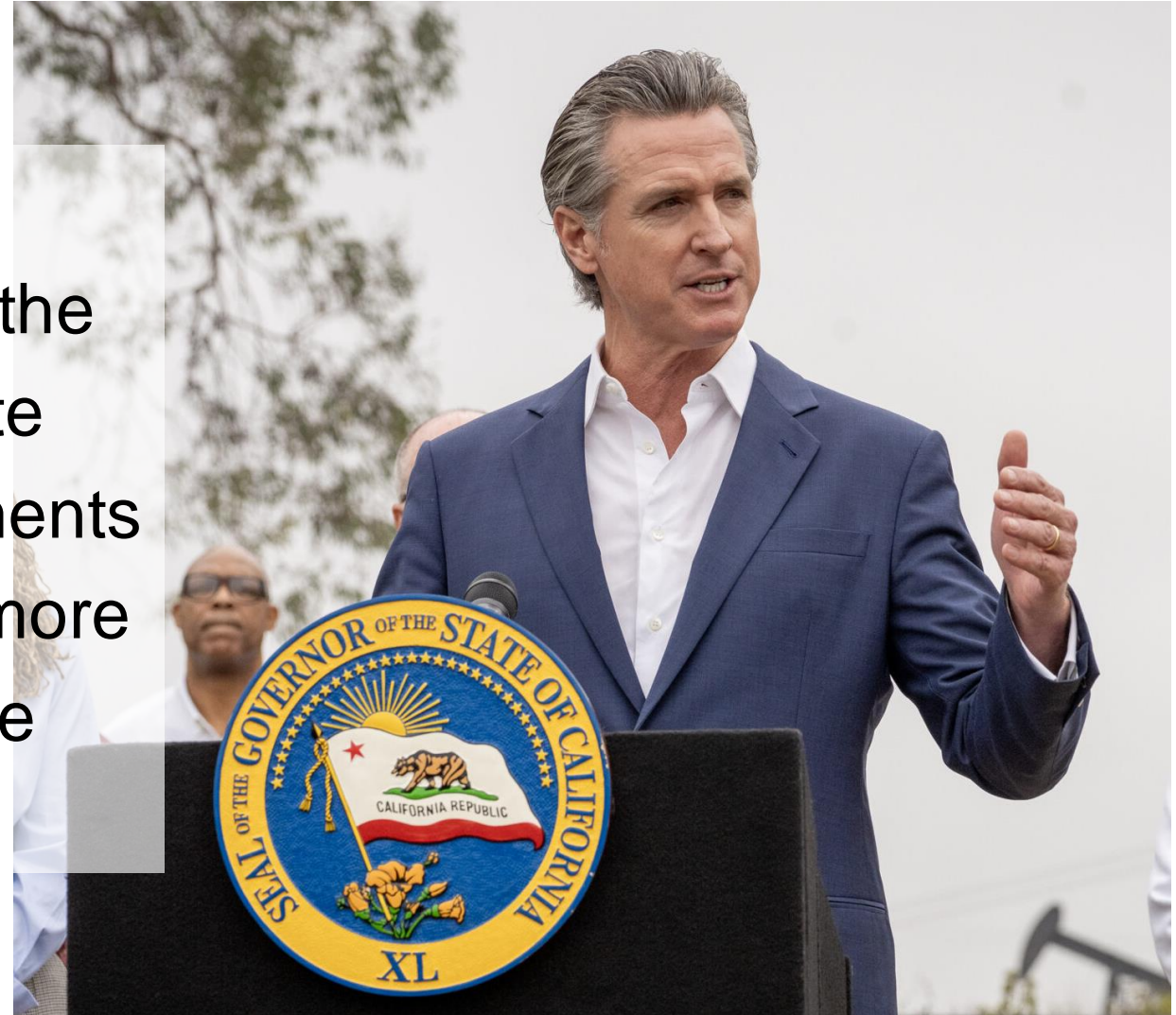


Tenant Protections

Accountability, Transparency, Enforcement

“ The State’s role is to enforce existing housing laws and create the market conditions that will facilitate the private sector making investments in our communities and building more housing – cities and counties have the resources. ”

-Governor Newsom



Accountability, Transparency, Enforcement

Clean-Up Bills

Bill	Description
AB 1893 (Wicks, D-Oakland)	<p>Clarifies and modifies the infamous “builders remedy,” an existing law that states that if a local jurisdiction does not have a “substantially compliant” housing element, the jurisdiction cannot use its own zoning or general plan standards to disapprove any housing project.</p> <ul style="list-style-type: none"> - The new law will give more certainty to developers, reducing litigation and court action - New Builder’s Remedy projects must comply with certain site restrictions, density limits and other standards. However, the projects will also have a lower percentage of affordable housing.
AB 1886 (Alvarez, D-Chula Vista)	<p>AB 1886 clarifies when a local jurisdiction’s housing element is in “substantial compliance” with housing element law. This bill specifies that Department of Housing and Community Development (HCD) must find the adopted housing element or amendment is in substantial compliance with housing element law or a decision by a court of competent jurisdiction. AB 1886 was also declaratory of existing law. This bill is significant, because it clarifies the uncertainty for some Builder’s Remedy applications and the applicability of SB 35/SB 423.</p>
SB 450 (Atkins, D-San Diego)	<p>SB 9 clean-up bill. Eliminates roadblocks erected by some local jurisdictions in the implementation of SB 9 projects.</p> <ul style="list-style-type: none"> - Prohibits jurisdictions from creating objective zoning, subdivision, or design standards that are not applied to the underlying single-family zoning - Sets specific timeframes for application action - Increases authority of the State to hold jurisdictions accountable.

Accountability, Transparency, Enforcement

Penalties and Impact Fees

Bill	Description
SB 1037 (Wiener, D-San Francisco)	Creates new legal remedies that can be used by the Attorney General to enforce the adoption of housing element revisions or to enforce any state law that requires a local government to ministerially approve any planning or permitting application related to a housing development project. This includes financial penalties and fines.
SB 937 (Wiener, D-San Francisco)	Temporarily defer cities' collection of impact fees , allowing more housing projects to pencil. The legislation also extends entitlements, allowing projects on pause due to high interest rates to retain a key permit until market conditions improve.
AB 1820 (Schiavo, D-Santa Clarita)	Would allow developers to request a preliminary fee and exaction estimate from localities at the time of a preliminary application. Local agencies would be required to respond within 10 business days.
AB 2553 (Friedman, D-Burbank)	Would further limit local impact fees by extending the definition of what constitutes housing near transit, which would allow more housing developments to pay lower local vehicular traffic impact fees, reflecting lower rates of car trips from those buildings.

Conversions and Maximizing Density

Missing Middle, Homeownership, ADUs, Coastal Zone

Bill	Description
AB 2243 (Wicks, D-Oakland)	<p>Amends language of the Affordable Housing and High Road Jobs Act of 2022 (AB 2011, Wicks) to facilitate implementation by expanding its geographic applicability and clarifying aspects of the law.</p> <ul style="list-style-type: none">- Easier to build more housing near freeways and regional mall sites- <u>Removed</u> provisions that: would have allowed for the conversion of office buildings outside of commercial corridors, housing production on oil/gas refinery/extraction sites- <u>Clarification</u>: Housing development project should meet the affordability level of a local affordable housing requirement if it is deeper than required by the Act.
SB 1123 (Caballero, D-Merced)	<p>Updates SB 684 (2023) to make it legal to build up to 10 homes on vacant lots in single-family zones near jobs, schools, transit, and other amenities by streamlining the approval process for these projects.</p>
AB 1211 (Skinner, D-Oakland)	<p>Allow more detached ADUs on properties with multifamily housing.</p> <ul style="list-style-type: none">- Number of detached ADUs allowed to be built on properties with apartments, condos or townhouses with just a ministerial permit would also quadruple from 2 to 8.- If a multifamily property owner decides to replace a carport or driveway with an ADU, they would not be required to replace that parking.
SB 1077 (Blakespear, D-Encinitas)	<p>Aims to harmonize coastal permitting requirements with state ADU law to make it easier to apply for, and receive, ADU permits. Directs the Coastal Commission to work in coordination with HCD to develop guidance for local governments to harmonize their ADU ordinances with their Local Coastal Programs (LCPs).</p>

Tenant Protections

Bill	Description
AB 846 (Bonta, D-Oakland)	Extends the state's existing anti-gouging rent cap to LIHTC properties
SB 924 (Bradford, D-Inglewood)	Current law requires affordable housing landlords to offer tenants the option of having their rental payments reported to consumer reporting agencies to help build credit. Current law provisions expire on 1/1/25 – this bill eliminates that sunset date.
AB 2801 (Friedman, D-Burbank)	Revisits security deposit regulations, tightening the criteria for landlords' claims to justify not returning a deposit and emphasizing the need for landlord transparency with photographic evidence of repairs or cleanings that justify use of a deposit.
AB 2304 (Lee, D-Milpitas)	Closes a loophole related to disclosure when tenants are party to a civil eviction process. The bill ensures that tenants are not unfairly penalized on rental applications if they have won their civil eviction cases.

Q&A

Please use the Q&A feature to submit questions.

Panel: Reactions to Trends, Passed Legislation, and Upcoming Bills

Featured Panelists



Natalie Donlin-Zappella
Director, GPLA
**Moderator*



Senator Nancy Skinner
CA State Senate District 9



Assemblymember Alex Lee
CA State Senate District 9



Stephen Russell
President & CEO,
San Diego Housing Federation



Vino Pajanor
CEO, Catholic Charities
– San Diego & Imperial Counties

Q&A

Please use the Q&A feature to submit questions.

Thank you!

For more information, please visit:

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