

2017 Housing Package

Funding:

- **SB 2 (Atkins)** establishes the Building Homes and Jobs Act (Act) and imposes a \$75 fee on real estate transaction documents, excluding commercial and residential real-estate sales, to provide a permanent source of funding to address homelessness, construct farmworker housing, and fund homeownership programs. Seventy percent of the funding will go directly to local governments to spend on housing priorities. **Chapter 364, Statutes of 2017**
- **SB 3 (Beall)** authorizes a \$4 billion general obligation bond. \$ 3 billion will be used for existing, successful affordable housing programs, including programs that fund farmworker housing, homeownership programs, and supportive housing for those who are homeless. The remaining \$1 billion will fund the Veterans Farm and Home Loan program. This bond would go before the voters on the November 2018 ballot. **Chapter 365, Statutes of 2017**

Streamlining:

- **SB 35 (Weiner)** creates a streamlined, ministerial approval process for infill developments in localities that have failed to meet their regional housing needs assessment (RNHA) numbers. Developers that agree to dedicate at least 10% of the units in a development to an affordable rate can access streamlining in localities that fail to meet above moderate-income unit construction. In localities that fail to meet their lower-income unit construction, developers must include a set-aside of 50% of the units to affordable rates to access streamlining. **Chapter 366, Statutes of 2017**
- **AB 73 (Chiu)** incentivizes local governments to zone at high densities around transit and complete upfront environmental review on the sites. The state would provide an incentive payment once zoning and environmental review is complete and a second payment once building permits are issued for housing units on the sites. Sites in the zoned area would not be subject to additional CEQA review. **Chapter 371, Statutes of 2017**
- **SB 540 (Roth)** allows local jurisdictions to create Workforce Housing Opportunity Zones (WHOZ) (similar to a specific plan), which must contain a specified amount of affordable housing, with an inclusionary requirement. The establishment of the WHOZ would require an initial environmental review process; however once the review is done there is no additional project level environmental review required for the subsequent 5 years. **Chapter 369, Statutes of 2017**

Accountability and enforcement:

- **AB 72 (Santiago)** gives the Department of Housing and Community Development (HCD) authority to find a housing element out of compliance if a local government's action or failure to take action, including down zoning sites, is inconsistent with state housing element law. The bill would also give HCD authority to refer a violation of existing state housing laws to the Attorney General for action. **Chapter 370, Statutes of 2017**
- **AB 678 (Bocanegra)** increases the burden on local jurisdictions when denying a housing project, imposes fines for a violation of the Housing Accountability Act (HAA), and expands judicial remedies for violations of the HAA. **[same as SB 167 (Skinner)] Chapter 373, Statutes of 2017**
- **AB 879 (Grayson)** enhances and improves the information that local governments provide to the Department of Housing and Community Development (HCD) each year to better direct statewide housing policies. Requires all local governments to report the number of housing development applications received each year and the number of units approved or denied each year. Requires HCD to complete a study of the reasonableness of local impact fees and make recommendations to the Legislature regarding potential amendments to the Mitigation Fee Act. **Chapter 374, Statutes of 2017**
- **AB 1397 (Low)** makes several changes to the "inventory of land suitable for residential development" analysis in housing element law, such as requiring a more detailed analysis before allowing sites with existing uses to be considered suitable for residential development. One of the greatest barriers to addressing California's affordable housing crisis is the lack of appropriate sites on which new multifamily housing can be built in many communities. Unfortunately, current law has a number of gaps that allow jurisdictions to circumvent this critical planning obligation, relying on sites that aren't truly available or feasible for residential development, especially multifamily development. This bill helps address this obstacle by tightening the standards for what constitutes an "adequate site" under housing element law for purposes of meeting some portion of a jurisdiction's regional housing needs assessment (RHNA). **Chapter 375, Statutes of 2017**
- **AB 1515 (Daly)** changes the standard the court must use in reviewing the denial of a housing development by providing that a project is consistent with local planning and zoning laws if there is substantial evidence that would allow a reasonable person to find it consistent. This bill could expand the number of housing developments that are afforded the protections of the HAA. **Chapter 378, Statutes of 2017**
- **SB 166 (Skinner)** requires local governments to ensure they are adequately accommodating their unmet housing needs throughout the housing element planning period. For example, if a city were to zone residential but then build commercial in that

zone, this bill would require the city to go back and identify additional sites to accommodate its housing needs. **Chapter 367, Statutes of 2017**

- **SB 167 (Skinner)** increases the burden on local jurisdictions when denying a housing project, imposes fines for a violation of the Housing Accountability Act, and expands judicial remedies for violations of the HAA.**(same as AB 678 (Bocanegra)] Chapter 368, Statutes of 2017**

Inclusionary housing: AB 1505 (Bloom) clarifies that cities may enact and impose inclusionary ordinances under their local police power on rental housing, and requires the ordinance to provide alternative means of compliance. **Chapter 376, Statutes of 2017**

Preservation of existing affordable housing stock: AB 1521 (Bloom) strengthens the law regarding the preservation of existing affordable housing units by requiring an owner of an assisted housing development to accept a bona fide offer to purchase from a qualified purchaser, if specified requirements are met, and by giving the Department of Housing and Community Development (HCD) additional enforcement authority. **Chapter 377, Statutes of 2017**

Farmworker Housing: AB 571 (E. Garcia) makes changes to the farmworker housing tax credit set-aside within the Low Income Housing Tax Credit Program and to the Department of Housing And Community Development's Office of Migrant Services. **Chapter 372, Statutes of 2017**