Date of Hearing: June 19, 2019

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT David Chiu, Chair SB 6 (Beall) – As Amended April 23, 2019

SENATE VOTE: 38-0

SUBJECT: Residential development: available land

SUMMARY: Requires the Department of General Services (DGS) to create a public, searchable database of sites in local governments housing element inventory of land suitable for residential development and state surplus properties. Specifically, **this bill**:

- 1) Requires the Department of Housing and Community Development (HCD), on or before December 31 of each year, to provide DGS the list of sites identified in a housing element that are suitable for residential development.
- 2) Requires local governments to develop the inventory of sites suitable for residential development based on standards, forms, and definitions developed by HCD.
- 3) Give HCD authority to review, adopt, amend, or repeal standards, forms and definitions for the sites suitable for residential development and exempts the process from regulatory review by the Office of Administrative Law.
- 4) Requires a local government to submit an inventory of sites suitable for residential development in electronic form to HCD after January 1, 2021.

EXISTING LAW:

- 1) Allows a county to establish a central inventory of surplus property.
- 2) Defines "surplus land" as land owned by any local agency that is determined to be no longer necessary for the agency's use, except property being held by the agency for the purpose of exchange or property meeting other exemptions.
- 3) Requires that a local agency must provide a written offer to sell or lease surplus land for the purpose of developing low- or moderate-income housing to "housing sponsors" upon written request, as well as any local public entity within the jurisdiction where the surplus land is located.
- 4) Provides that a local agency wishing to dispose of surplus land must also provide a written offer to additional entities, depending on the type of proposed usage, for park and recreational purposes, school facilities construction or use by a school district for open space purposes, enterprise purposes, and infill opportunity zones or transit village plans.

FISCAL EFFECT: Unknown.

COMMENTS:

Purpose of this bill: According to the author, "Hardworking individuals are struggling to find affordable housing. We must consider all options to eliminate obstacles for construction and increase our housing supply. Developers often do not know when sites are available to develop and which entities manage the land. By utilizing already reported information, SB 6 is a common sense solution that helps developers identify properties ready for acquisition and zoned for development."

Surplus Lands Act: State law dictates how local and state agencies are required to treat surplus land. If land is no longer needed or is not being held for exchange, a local agency must follow certain procedures prior to disposal of this "surplus" land. The intent behind the disposal procedures is to promote the use of surplus land towards affordable housing, parks and recreation purposes, open-space purposes, and transit-oriented development. The disposal procedures provide a Right of First Refusal to entities agreeing to use the land for, amongst other things, affordable housing. Local agencies are not required to create an inventory of local surplus lands. State agencies are required to create an inventory of surplus sites each year. If a state surplus property is no longer needed, it must first be offered to a non-profit affordable housing sponsor.

Governor's Executive Order: Surplus Land: Earlier this year, the Governor issued Executive Order N-06-19 directing DGS to create a digitized inventory of all state land in excess of state agencies foreseeable needs no later than April 30, 2019. DGS, HCD, and the California Housing Finance Agency (CalHFA) are directed to develop two new screening tools for prioritizing affordable housing development on excess state lands – where housing is most likely to be economically feasible and where underproduction is impacting housing affordably. This screening tool will be used to map areas in the state on excess surplus sites where housing development is feasible and will help address underproduction. State agencies are encouraged to exchange excess state land with local governments for affordable housing and preservation. DGS and HCD will issue requests to develop parcels that are suitable for affordable housing.

Housing element inventory of adequate sites: Every local government is required to prepare a housing element as part of its general plan. The housing element must include an inventory of sites already zoned for housing. If a community does not have enough sites within its existing inventory of residentially zoned land to accommodate its entire RHNA, then the community must adopt a program to rezone land within the first three years of the planning period.

This bill would require cities and counties to submit an inventory of sites suitable for housing development to HCD in electronic form. HCD would submit the sites inventory to DGS to develop a searchable database of sites. DGS is required to create a searchable database of state surplus sites and sites in the inventory of sites.

Related legislation:

AB 1255 (Rivas) would require local governments to include an inventory of surplus sites that are infill, "high-density" sites in the housing element and requires Department of General Services (DGS) to create a searchable database of surplus sites. *This bill is pending hearing in Senate Housing Committee*.

AB 1486 (Ting) would require each local agency to make a central inventory of all surplus governmental property located in all urbanized areas within the jurisdiction of the local agency to determine what land is in excess of its foreseeable needs for its governmental operations on an annual basis, and report this information to the Department of Housing and Community

Double-referred: This bill was also referred to the Committee on Accountability & Administrative Review where it will be heard should it pass out of this committee

REGISTERED SUPPORT / OPPOSITION:

Support

American Planning Association, California Chapter Association of Bay Area Governments **Beverly Vermont Community Land Trust** California Apartment Association California Association of Realtors California Building Industry Association California Community Land Trust Network California Contract Cities Association California Housing Consortium California Renters Legal Advocacy and Education Fund California YIMBY County of Santa Clara Eden Housing Fair Housing Council of Riverside County First Community Housing Grounded Solutions Network Habitat for Humanity California Housing Land Trust of Sonoma County Irvine Community Land Trust Metropolitan Transportation Commission Non-Profit Housing Association of Northern California North Bay Leadership Council Northern California Carpenters Regional Council Silicon Valley At Home South Bay YIMBY **SPUR TechEquity Collaborative**

Opposition

None on file

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085