

State of California

MEMORANDUM

To: CALIFORNIA HOUSING FINANCE AGENCY
BOARD OF DIRECTORS

Date: March 16, 2020

From: CALIFORNIA HOUSING FINANCE AGENCY
Francesc Martí, Director of Legislation

Subject: LEGISLATIVE UPDATE

Any 2019 bill still alive and hoping to progress this legislative session had to pass their house of origin by January 31, 2020. The most significant news on that deadline was the demise on the Senate floor of Senator Wiener’s SB 50, which would have up zoned large parts of California. On February 21, the Legislature faced a new deadline: the last day to introduce new bills for 2020. In the rush to meet this cutoff, approximately 150 housing-related bills were introduced. While we see many of the recurring themes of past years, this year brings an even greater focus on combating and preventing homelessness, streamlining and making more efficient the operations of housing agencies, containing costs, and mitigating impact fees. There are also several bills aimed at increasing production, including SB 3107 by Assembly Member Bloom which would allow residential projects in commercially zoned areas if 20% of the units are for low-income households. The next filter will be applied in May when committees must report out bills in their house of origin (May 1 for non-fiscal bills and May 15 for fiscal bills). Bills need to pass their house of origin by May 31. Included here is a non-exhaustive list of recently introduced housing bills.

UPDATE: Due to the COVID-19 pandemic, all hearings in both the State Senate and Assembly have been canceled this week. As of the writing of this report, Caucuses will be meeting during Floor Session to determine whether they will adjourn temporarily to further reduce risk. It is unclear if they will move spring recess dates or extend those dates on either side – and how any of these changes may impact the legislative calendar.

AB 2044 (Voepel R) Building standards: energy design rating: accessory dwelling units

Introduced: 2/3/2020

Status: 2/14/2020-Referred to Coms. on H. & C.D. and NAT. RES.

Location: 2/14/2020-A. H. & C.D.

Summary:

Would prohibit an accessory dwelling unit, as defined, from being considered to be a newly constructed building for purposes of a specified provision of the California Energy Code, which is part of the California Building Standards Code, regarding the energy design rating for newly constructed buildings that are low-rise residential buildings. The bill would require the California Energy Commission to propose, and the California Building Standards Commission to adopt, approve, codify, and publish, building standards to implement this provision.

AB 2272 (Gabriel D) Real Property: Eviction Defense.

Introduced: 2/14/2020

Status: 2/15/2020-From printer. May be heard in committee March 16.

Location: 2/14/2020-A. PRINT

Summary:

Current law specifies certain rights and limitations for landlords and tenants subject to eviction and certain procedures for civil actions involving evictions. This bill would state the intent of the Legislature to enact legislation related to a statewide program for eviction defense.

AB 2343 (Eggman D) Local planning: housing element: emergency shelters

Introduced: 2/18/2020

Status: 3/2/2020-Re-referred to Com. on H. & C.D.

Location: 2/27/2020-A. H. & C.D.

Summary:

Current law authorizes a local government to impose on the emergency shelters only those development and management standards that apply to residential or commercial development within the same zone, except a local government may additionally impose objective standards on the maximum number of beds or persons permitted to be served nightly by the facility, sufficient parking to accommodate all staff working in the emergency shelter, the size and location of client intake areas, the provision of onsite management, the proximity to other shelters, the length of stay, lighting, and security during operating hours. This bill would revise the objective standards local governments are authorized to impose on emergency shelters to only include the provision of onsite management and security during hours that the emergency shelter is in operation.

AB 2589 (Maienschein D) No Place Like Home Program: permanent supportive housing

Introduced: 2/20/2020

Status: 2/21/2020-From printer. May be heard in committee March 22.

Location: 2/20/2020-A. PRINT

Summary:

Current law, the No Place Like Home Program (NPLH), as ratified and amended by Proposition 2, which was approved by the voters at the November 6, 2018, statewide general election, provides funding to provide permanent supportive housing for the target population, which is defined to include individuals who have a serious mental disorder and who are homeless, chronically homeless, or at risk of chronic homelessness. This bill would amend Proposition 2 by expanding the definition of permanent supportive housing to include specified licensed adult residential facilities, residential care facilities for the elderly, and any innovative housing solution in the mental health continuum of care.

AB 2605 (Chiu D) Density bonuses

Introduced: 2/20/2020

Status: 2/21/2020-From printer. May be heard in committee March 22.

Location: 2/20/2020-A. PRINT

Summary:

Current law, known as the Density Bonus Law, requires a city or county to provide a developer that proposes a housing development within the jurisdictional boundaries of that city or county with a density bonus and other incentives or concessions for the production of lower income housing units, or for the donation of land within the development, if the developer agrees to construct a specified percentage of units for very low income, low-income, or moderate-income households or qualifying residents and meets other requirements. This bill would make a nonsubstantive change to that law.

AB 2746 (Gabriel D) Homelessness

Introduced: 2/20/2020

Status: 2/21/2020-From printer. May be heard in committee March 22.

Location: 2/20/2020-A. PRINT

Summary:

Would state the intent of the Legislature to enact legislation that would increase transparency and accountability for homelessness funding, and state the intent of the Legislature that all data and information regarding homelessness funding be made available to the public in a timely fashion and in an easily accessible format, including through posting such information on state government internet websites.

AB 2848 (Santiago D) Homelessness: results-based accountability mandate

Introduced: 2/20/2020

Status: 2/21/2020-From printer. May be heard in committee March 22.

Location: 2/20/2020-A. PRINT

Summary:

Current law requires the Homeless Coordinating and Financing Council to, among other things, serve as a statewide facilitator, coordinator, and policy development resource on ending homelessness in California. This bill would state the intent of the Legislature to enact legislation that establishes an enforceable, results-based accountability mandate to end homelessness in the state.

AB 2870 (Fong R) Housing: supportive housing grants

Introduced: 2/21/2020

Status: 3/5/2020-Referred to Com. on H. & C.D.

Location: 3/5/2020-A. H. & C.D.

Summary:

Would appropriate \$750,000,000 from the General Fund to the Department of Housing and Community Development for the purpose of providing counties with one-time grants to build, acquire space for, and renovate structures to be used for supportive housing for persons experiencing homelessness, as provided. The bill would require the department to allocate these moneys among counties by a competitive application process. The bill would require a county to develop and submit a housing needs assessment that includes a demonstration of the county's need for supportive housing units and capacity to build those units in order to receive a grant.

AB 2872 (Fong R) Persons experiencing homelessness: California Homelessness Data System Act

Introduced: 2/21/2020

Status: 3/5/2020-Referred to Coms. on H. & C.D. and HUM. S.

Location: 3/5/2020-A. H. & C.D.

Summary:

Would require the Department of Housing and Community Development to create a state homeless integrated data warehouse, in coordination with state and local partners, including the Homeless Coordinating and Financing Council, to develop a comprehensive portrayal of the homeless population in the state and the services provided to this population, those who are at risk of becoming homeless, and those who are receiving prevention services.

AB 2916 (Bloom D) Homelessness plan of action

Introduced: 2/21/2020

Status: 3/5/2020-Referred to Coms. on H. & C.D. and L. GOV.

Location: 3/5/2020-A. H. & C.D.

Summary:

Would enact the Homelessness Plan of Action Act, which requires all local agencies, as defined, to adopt and submit to the Department of Housing and Community Development, by January 1, 2022, a homelessness plan of action that includes specified information, including, among other things, information regarding surplus land that could be used to develop homeless shelters, assisted living units, and affordable housing. The bill would require a local agency to update and submit, to the department, the plan at least once every 4 years thereafter by January 1. The bill would require the department, in consultation with any state agency the department may choose, to review and provide recommendations on improvements to each local agency's homelessness plan of action within 120 days of receiving an action plan, as provided.

AB 3050 (Quirk-Silva D) Property taxation: welfare exemption

Introduced: 2/21/2020

Status: 2/24/2020-Read first time.

Location: 2/21/2020-A. PRINT

Summary:

Current property tax law, in accordance with the California Constitution, provides for a "welfare exemption" for property used exclusively for religious, hospital, scientific, or charitable purposes and owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met. Existing property tax law, in accordance with the California Constitution, specifies that "property used exclusively for religious, hospital, or charitable purposes" includes facilities in the course of construction, and specified land on which the facilities are located, to be used for those purposes. This bill would make nonsubstantive changes to this provision.

AB 3088 (Chiu D) Tenant Protection Act of 2019

Introduced: 2/21/2020

Status: 2/24/2020-Read first time.

Location: 2/21/2020-A. PRINT

Summary:

Current law, the Tenant Protection Act of 2019, prohibits, with certain exceptions, an owner of residential real property from increasing the gross rental rate for a dwelling or unit more than 5% plus the percentage change in the cost of living, as defined, or 10%, whichever is lower, of the lowest gross rental rate charged for the immediately preceding 12 months, subject to specified conditions. This bill would correct an erroneous cross-reference in that provision.

AB 3146 (Bonta D) Housing data: collection and reporting

Introduced: 2/21/2020

Status: 2/24/2020-Read first time.

Location: 2/21/2020-A. PRINT

Summary:

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. That law requires the planning agency of a city or county to provide by April 1 of each year an annual report to, among other entities, the Department of Housing and Community Development that includes, among other specified information, the number of net new units of housing that have been issued a completed entitlement, a building permit, or a certificate of occupancy, thus far in the housing element cycle, as provided. This bill would require a planning agency to include in that annual report specified additional information regarding housing development projects located within the jurisdiction, and information related to local requirements or incentives for proposed housing development projects, as provided, thereby imposing a state-mandated local program.

AB 3147 (Gabriel D) Fees for development projects

Introduced: 2/21/2020

Status: 2/24/2020-Read first time.

Location: 2/21/2020-A. PRINT

Summary:

Would require a judicial action or proceeding to be conducted in accordance with other procedures that, among other things, require a protest to be filed within 90 days after the imposition of the fees and an action to attack, review, set aside, void, or annul the imposition of the fees to be filed within 180 days after delivery of a specified notice by the local agency. The bill would require revenues in excess of actual cost to be used to reimburse the payor of the fee or service charge.

AB 3156 (Rivas, Robert D) Coastal resources: coastal development permits: affordable housing

Introduced: 2/21/2020

Status: 2/24/2020-Read first time.

Location: 2/21/2020-A. PRINT

Summary:

The California Coastal Act of 1976 requires any person undertaking development in the coastal zone to obtain a coastal development permit issued by the California Coastal Commission for a project, as defined, in accordance with prescribed procedures. This bill would require the commission, on or before July 1, 2021, to adopt regulations to expedite the process of reviewing

and acting upon applications for coastal development permits for projects that either include affordable housing units or in which 100% of the units will be affordable to households making 80% or below the median income.

AB 3173 (Bloom D) Microunit buildings
Introduced: 2/21/2020
Status: 2/24/2020-Read first time.
Location: 2/21/2020-A. PRINT

Summary:

Would require a city or county with a population of more than 400,000 people to permit the building of microunit buildings, as defined, in any zone where multifamily residential buildings are permitted. The bill would require that microunit buildings be permitted on the same basis as multifamily dwelling units. The bill would set minimum standards for the construction of microunit buildings, including floor-space ratios and setback requirements. The bill would require that specified percentages of microunit buildings be set aside for affordable housing, as specified. The bill would define terms for the purpose of these provisions.

AB 3196 (Kiley R) Homelessness Onset Prevention and Empowerment (HOPE) Act
Introduced: 2/21/2020
Status: 2/24/2020-Read first time.
Location: 2/21/2020-A. PRINT

Summary:

Would create the Homelessness Onset Prevention and Empowerment (HOPE) Account in the California Access to Housing and Services Fund, and would require, commencing with the 2020–21 fiscal year, 25% of the funds deposited each fiscal year in the California Access to Housing and Services Fund and the No Place Like Home Fund, and 25% of any General Fund moneys appropriated in the annual Budget Act or another statute to address homelessness in each fiscal year, to be transferred to the HOPE Account. The bill would, commencing with the 2021–22 fiscal year, require 50% of the funds in the HOPE Account to be allocated, upon appropriation by the Legislature, to eligible state programs geared toward preventing homelessness and assisting those individuals who are at risk of becoming homeless and the other 50% of the funds to counties for homelessness prevention projects through the annual budget process, as specified.

AB 3260 (Wicks D) Tenancy: security deposit

Introduced: 2/21/20

Status: 3/12/20 Referred to Coms. on JUD. and INS. From committee chair, with author's

Amendments: Amend and re-refer to Com. on JUD. Read second time and amended.

Location: 3/12/20 A – JUD.

Summary:

Would require a landlord to authorize a tenant, as an alternative to paying the full amount of a security deposit before taking possession of the premises, to satisfy security by either obtaining and maintaining rental security insurance coverage or paying the amount of the security in monthly installments over a period of not less than 6 months, subject to specified requirements.

SB 725 (Rubio D) Veterans rental housing

Introduced: 2/22/2019

Status: 6/18/2019-June 18 set for first hearing canceled at the request of author.

Location: 6/6/2019-A. V. A.

Summary:

Current law creates the Veterans Housing and Homeless Prevention Act of 2014, to provide for the acquisition, construction, rehabilitation, and preservation of affordable multifamily supportive housing, affordable transitional housing, affordable rental housing, or related facilities for veterans and their families to allow veterans to access and maintain housing stability. This bill would require the department to establish a rental housing assistance program to provide financial assistance to veterans seeking rental housing, based on the needs of the veterans.

SB 899 (Wiener D) Planning and zoning: housing development: nonprofit hospitals or religious institutions

Introduced: 1/30/2020

Status: 3/5/2020-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 1/30/2020-S. RLS.

Summary:

The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. That law allows a development proponent to submit an application for a development that is subject to a specified streamlined, ministerial approval process not subject to a conditional use permit if the development satisfies certain objective planning standards. This bill would require that a housing development project be a use by right upon the request of a nonprofit hospital, nonprofit

diagnostic or treatment center, nonprofit rehabilitation facility, nonprofit nursing home, or religious institution that partners with a qualified developer on any land owned in fee simple by the applicant if the development satisfies specified criteria. The bill would define various terms for these purposes.

SB 902 (Wiener D) Planning and Zoning: neighborhood multifamily project: use by right: density
Introduced: 1/30/2020
Status: 3/9/2020-From committee with author's amendments. Read second time and amended. Re-referred to Com. on HOUSING
Location: 2/12/2020-HOUSING.

Summary:

Current law, until January 1, 2026, authorizes a development proponent to submit an application for a multifamily housing development that satisfies specified planning objective standards to be subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit. This bill would provide that a neighborhood multifamily project is a use by right in zones where residential uses are permitted if the project is not located in a very high fire severity zone, does not demolish sound rental housing or housing that has been placed on a national or state historic register, follows specified local objective criteria, and meets specified density requirements.

SB 972 (Skinner D) Discrimination
Introduced: 2/11/2020
Status: 2/20/2020-Referred to Com. on RLS.
Location: 2/11/2020-S. RLS.

Summary:

The California Fair Employment and Housing Act (FEHA) prohibits various actions as unlawful employment practices unless the employer acts based upon a bona fide occupational qualification or applicable security regulations established by the United States or the State of California. The act also prohibits discrimination in housing accommodations based on specified prohibited criteria such as race or gender. This bill would make a nonsubstantive change to these provisions.