

Update on California Housing Laws

Presented By: Office of the City Attorney & Community Development Department Planning Commission, January 27, 2020



Topics

- 2019 Housing Related Legislation
 - 2019 Summary
 - Over 100 Bills introduced
 - Over 40 Bills signed
 - 23 Bills Signed with Impacts on Sunnyvale
 - Most Substantial Changes: SB 330 & ADUs
 - 5+ Bills carried over
- **2020** Pending Legislation: SB 50, AB 1484, etc.



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2019 Legislation

23+ Housing Bills with Local Impacts

Density Bonus + AB 1763

Tenant Protections

AB 1482, SB 222/329, AB 1110

Housing

Investment/Financing AB 1010, AB 116, AB 1743, SB 196, AB 1487

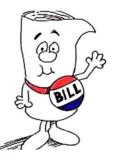
Reporting & Transparency AB 1255, AB 1486, AB 1483, SB 6 ADU

AB 68, SB 13, AB 881,

AB 671, AB 587

Streamlined/Increased Housing AB 1485, SB 330

CEQA & Transit Definition AB 101, AB 1560



Density Bonus for 100% Affordable Projects

AB 1763

Greater than ½ mile from *Major Transit Stop*:
 •80% Density Bonus
 •4 concessions

Less than ½ mile of *Major Transit Stop*: UNLIMITED density

- •3 additional stories
- 4 concessions



Tenant Protections

AB 1482, SB 222/329, & AB 1110

AB 1482

- Caps annual rent increases at 5% plus CPI
- Just cause for eviction and other relocation benefits
- Various exemptions
- No City enforcement
- Sunsets 2030

SB 222/329

 Prohibits Section 8 discrimination (and other vouchers)

AB 1110

 90 day notice for 10% rent increase



Affordable Housing Financing

AB 1487

- CASA Compact
- Creates Bay Area Housing Finance Authority
 - Allocate new revenue sources/taxes and issue bonds



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Reporting Requirements/Transparency

AB 1255, AB 1486, & AB 1483

*****AB 1255

Annual report to HCD: inventory of surplus land

*****AB 1486

Surplus land to be included in Housing Element

*****AB 1483

 Transparency for all development standards, fees, and requirements

*****SB 6

•HCD publishes residential land inventory from HE

ADU Updates

AB 68, SB 13, AB 881, & AB 671

All single-family residential properties <u>entitled</u> to:

Standard ADU (SADU)

Junior ADU (JADU)

SADU + JADU

- **Detached:** SADU min. allowed:
 - •800 sq. ft.
 - •4 ft. minimum side & rear yard setback
 - •16 ft. maximum height
- Existing Space: in primary dwelling—to create
 JADUs (maximum 500 sq. ft.)

•SADUs

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ADU Updates

AB 68, SB 13, AB 881, & AB 671

- Multi-family developments may also be entitled to SADUs.
- NO Replacement parking
- NO New parking required



- **NO** Deed restrictions for SADUs (*through 2025*)
- NO Short-term rentals in new ADUs

Sunnyvale Ordinance Adopted January 7, 2020

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Housing Crisis Act of 2019

SB 330 (Skinner) – Overview

Variety of substantive and procedural requirements to spur housing development *Some provisions sunset in 2025*

- City's requirements must be **Objective** & **Transparent**
- Preliminary Application locks in Fees & Standards
- Maximum 5 Public Hearings (qualified projects)
- Shortened deadlines under Permit Streamlining Act

SB 330 (Skinner) – Overview, continued

- Invalidates
 - •Housing Caps (see next slides)
 - Moratoria
 - Down-Zoning
- Lower income residents: protections for displacement
- Projects must still comply with CEQA
 - Exemptions may apply: e.g. Infill or SB 35

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Housing Crisis Act of 2019

SB 330 (Skinner) – No Housing Caps

Lawrence Station Area Plan (LSAP)



Existing

- Minimum and "Maximum" Density by zone
- LSAP-wide development reserve based on incentives
- Update
 - Site specific densities, with maximums based on incentives

SB 330 (Skinner) – No Housing Caps

El Camino Real Plan (ECR-CSP)

- Existing
 - No zoning density
- Preliminary Plan
 - Node and Segment
 - Minimum and "Maximum" Density
 - Node or Segment development reserve based on incentives
- Proposed Update
 - Site specific densities (based on Node, Segment, & Other)
 - Maximums based on incentives
 - No shared reserves



SB 330 – Preliminary Application (PA)

- Submittal Requirements:
 - PA requirements specified in SB 330
 - Formal Application:
 - Comprehensive list of requirements provided up front
 - No additional items after first review
 - 30 days maximum for each review
 - Project decision made within specific timeframe (based on CEQA determination); and
 - Project must start construction within 2.5 years of approval date
- Development fees locked for 180 days
 - After complete submittal

SB 330 – Anti-gentrification

- Demolished units
 - Must build: Same or Greater number of units
- Tenants in "protected units"
 - Must receive relocation benefits
 - Entitled to units in the new project at affordable rent

Protected units

- Are, or have been, <u>occupied</u> by low or very low income tenants in the previous five years
- City must verify compliance with above requirements
 Before approving the project

Housing and CEQA / Transit Definition

A few tweaks – No major reforms

- CEQA-exempt SB 35 projects now include option for:
 - 20% moderate income projects in the Bay Area (AB 1485)

• For Mixed-use SB 35 projects:

 Calculation of 2/3 residential now <u>excludes</u> underground spaces such as garages and basements

• New **CEQA** exemption (AB 101) for:

Homeless Navigation Centers

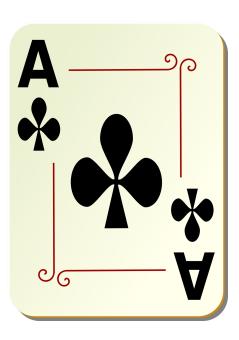
Definition of "Major Transit Stop" (AB 1560)

Broadened: includes bus rapid transit (affects various CEQA exemptions)

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Housing and CEQA

Tweaks, continued



CEQA trumps SB 330 in important ways:

- Projects must comply with necessary mitigation measures
- Permit Streamlining Act deadlines are triggered by CEQA determination

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Pending Legislation

Pending Housing Legislation with Local Impacts

🛠 SB 50 🌗

 Increases allowed density, removes CEQA review, streamlines development of housing (more info on next slide)

*****SB 4

Streamlines housing development, if consistent with GP

*****AB 11

State financing mechanism for development of housing

*****AB 1279

 State designated "high resource" areas = housing development is streamlined

*****AB 1484

• Limits City from req. impact fees for housing dev. projects

To be continued.....

SB 50 (Wiener)

Streamlined Approval of Housing Development Standards/Review Eligible Projects:

- •½ Mile from a "Major Transit Stop"; or
- ¼ Mile from a stop on a "High-Quality Bus Corridor"

Exempts Projects from:

- Maximum Density
- FAR
- Parking
- Height and other zoning and design objectives

- Heights of 45-85
- FAR of 250% 450%
- City can apply:
 - Objective Development and Design Standards
- Dictates required number of affordable units
- No CEQA review

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Questions & Discussion