

State Legislation 2020

FOCUS ON HOUSING



Changes to State Density Bonus Law

AB 2345 DENSITY BONUS

Increase concessions to 4-5 w/ additional affordability

Increase bonus from 35% to 50%

Increase concessions to 6 for 100% affordable (lower-income)

SF: more flexibility for affordable housing, typical rental project would be eligible for 37.5% increase. In certain "carve-out areas" up to 50% bonus.

SB 1085: DENSITY BONUS

Additional 5% bonus for providing 11% of units for "very low-income" households

New income category eligible for SDB: 30% below market-rate

Prohibit housing fees on bonus units.

SF: would be prevented from imposing affordable housing fee on state density bonus units. SF passed "oppose" position.

Ministerial Approvals

AB 2580 CONVERSION OF HOTELS

Allow ministerial approval of hotel/motel conversions into multi-family housing

SF: 34,000 hotel rooms in 200+ hotels. Hotel industry key for SF's tourism economy. COVID-19 severe impacts on tourism for an indeterminant amount of time. Could allow for speedy conversion of rooms to housing units but tenant protections may prevent conversion back to hotels.

SB 899: CONVERSION OF ED/RELIGIOUS INSTITUTIONS

Ministerial approvals, if ¼+ acre

Replacement provisions for existing housing

Must be 100% affordable for at least 45 years

SF: could facilitate affordable housing. Could not be used on Article 10/Article 11 parcels.

Density Increase & Ministerial Approvals

SB 1120 SUBDIVISION

Allow ministerial approval of 2 units or subdivision into 2 parcels in single family zoning districts.

SF: would speed entitlement process and limit the ability to apply design guidelines. Could create an incentive to upzone single family zoning districts to maintain discretionary review.

AB 1279: HIGH OPPORTUNITY AREAS

Ministerial approvals required in high-opportunity/low density zoning districts.

To qualify must provide up to 50 units on sites > ¼ acre (10,000+ sf) or up to 120 units on sites > ½ acre (21,000+ sf).

Affordability would be SF inclusionary for smaller projects and up to 50% affordable for larger projects.

SF: This bill would be applicable to much of western SF. The site size limit would restrict use of this bill to larger sites primarily found on major corridors, since few parcels in residential districts would qualify. May further fair housing law.

Ministerial Approvals & Housing Planning

AB 3040: FOUR UNITS ON LOTS IN SINGLE-FAMILY ZONING DISTRICTS

Does not rezone, instead enables cities to rezone sites occupied by single-family for up to 4 units by ministerial approval. These sites could be counted for up to 25% of its RHNA share.

SF: While CEQA would not apply, these would still be subject to design review and historic preservation protections. San Francisco would choose where to allow 4-unit buildings on single family parcels. Four-unit buildings are mixed with single family homes in many SF neighborhoods today. The probability of such development may be low because single family homes are typically owner-occupied and expensive.

Housing Planning

AB 725: MODERATE | ABOVE MODERATE HOUSING & RHNA

This bill has been amended in the State Senate since our memo was written. It would require that cities accommodate at least 25% of moderate income RHNA on sites zoned for at least 4 units but not more than 100 units/acre (about 5 units on a typical 2,500 square foot parcel). The bill would also require at least 25% above moderate-income RHNA on sites zoned for 4 units or more.

SF: Currently SF accommodates its RHNA for all income groups with “soft” sites zoned for multifamily housing that are more likely to be redeveloped based on the current utilization of the site. Single family parcels zoned for up to 4 units have rarely qualified as soft sites in the past. This bill will encourage more single family sites zoned for 4 units to be included in the City's RHNA sites for moderate income, however, it is unclear whether this bill would change development patterns.

SB 902: TRANSIT-RICH, JOBS-RICH HOUSING

Does not rezone, instead enables cities to rezone up to 10 units per parcel in a jobs-rich or transit-rich neighborhood without CEQA.

SF: A large portion of SF would likely qualify for rezoning should the city's elected officials choose to do so. Selecting parcels for zoning changes would be at the discretion of local decisions and planning processes. Allowing more multifamily housing units of up to 10 units could help meet housing needs in different neighborhoods.

Housing Planning

AB 3107: HOUSING ON COMMERCIAL ZONING & RHNA

Applies to cities that have not sufficiently zoned sites to accommodate their need as established by RHNA. Until these cities rezone, this bill would authorize housing development on commercially zoned sites with conditions such as affordability.

SF: Most of SF's commercial zoning allows residential densities greater than this bill, so, even if applicable, the bill impacts could be minimal. This bill would only apply if SF is not able to accommodate its RHNA in the 2022 Housing Element Update. While SF's RHNA is likely to be larger than in the past, the city can take action to make sufficient sites available before the adoption of the 2022 Housing Element should the need arise.

SB 1385: HOUSING & COMMERCIAL ZONES

Would allow residential development on lots otherwise zoned for office and retail uses.

SF: Most of San Francisco's commercial zoning allows multifamily residential development at densities greater than 30 units per acre (roughly equivalent to the City's RH-2 zoning on a typical 2,500 square foot parcel) so this bill appears to have limited applicability in San Francisco

Litigation Changes

SB 995 ENVIRONMENTAL LEADERSHIP

Expands upon a 2011 law (AB900) to enable a speedier CEQA litigation path in exchange for administrative process during entitlement and, in the case of housing projects, certain affordable housing, California investment, and labor requirements.

Would enable this path for Master EIRs for Housing Element updates.

SF: Would not apply to the Housing Element as SF is not using a Master EIR process. For projects not at risk of CEQA litigation, the AB 900 process creates additional cost and staffing burdens.

Tenant Protections

AB 1436 COVID-19 RENTAL DEFAULT PROTECTION

Protects tenants who cannot pay rent due to COVID-19 income loss from eviction for 12 months.

SF: Would prevent unlawful detainer proceedings for protected tenants. This bill provides no relief for property owners. If coupled with bills such as AB 2501 and SB 1079, which would allow for forbearance and adjustment of loan terms, the negative impact on property owners may be decreased.

AB 2501. Homeowner, tenant, and consumer relief

SB 1079. Residential property foreclosures.

Transportation Projects & CEQA

SB 288: CEQA EXEMPTIONS FOR TRANSPORTATION PROJECTS

This bill would further statutorily exempt from CEQA certain bus, rail and light rail projects and zero-emission fueling stations and chargers and pedestrian and bicycle facilities projects. Before granting a statutory exemption, the lead agency will be required to certify that the project will be completed by a skilled and trained workforce.

SF: Would reduce CEQA review for certain projects, varying in scale, costing up to \$100,000,000. Transportation projects usually benefit the environment, but there may be implications to applying an exemption to large projects. Bill limits public engagement; although likely that MTA would hold public meetings. The bill includes an independent peer review. SF coordinates excavation for major multi-agency infrastructure projects when possible; which may prevent local application of the bill.



Thank you!

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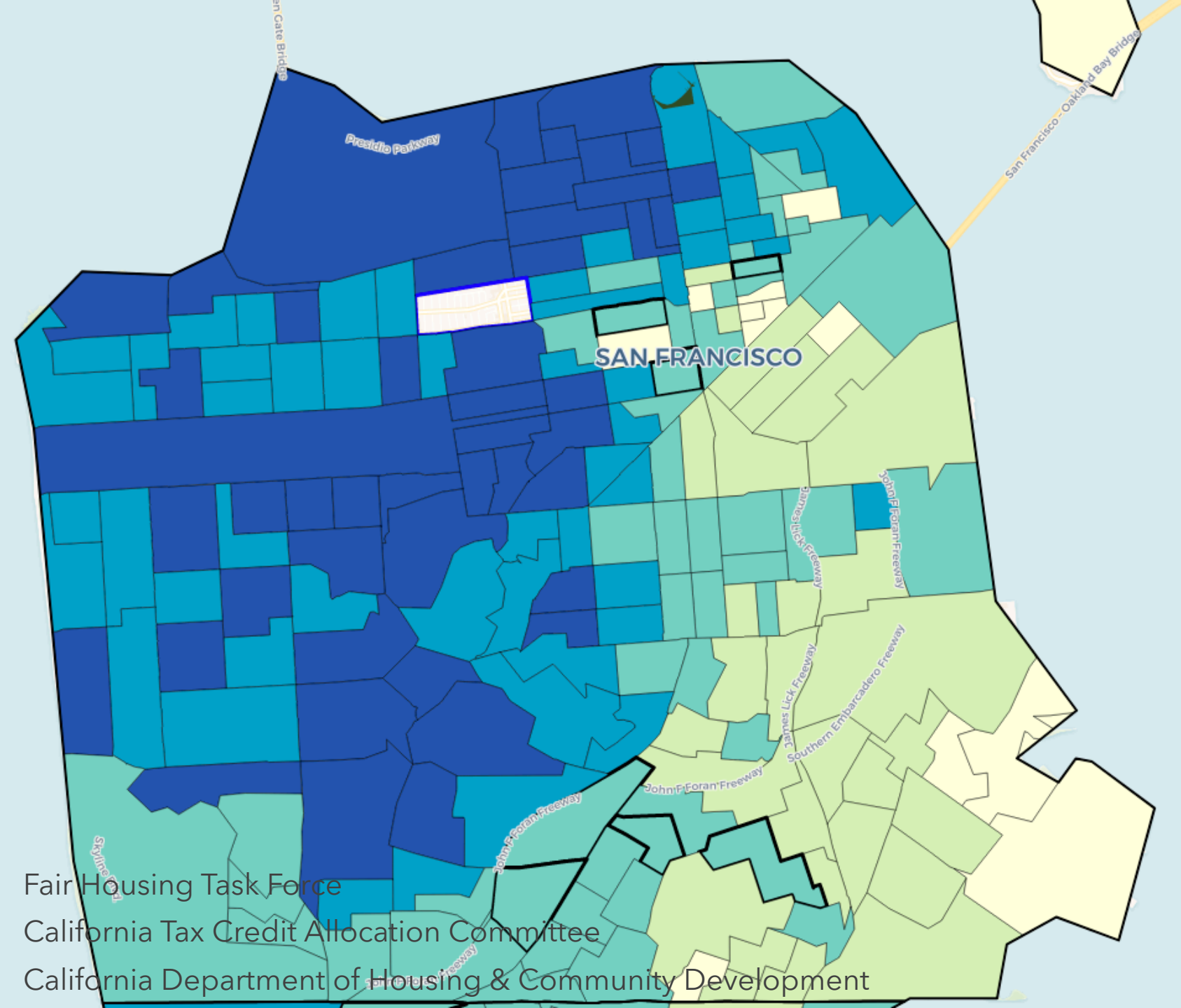
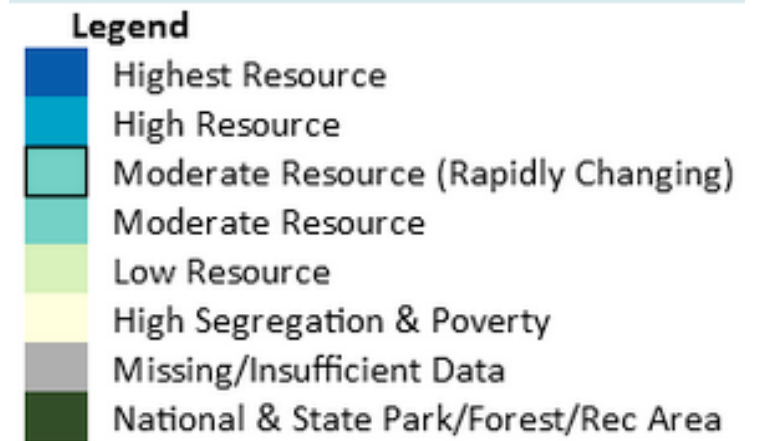
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High Opportunity Areas- 2020

- Life outcomes
- Educational attainment
- Future earnings
- Economic mobility



Fair Housing Task Force
California Tax Credit Allocation Committee
California Department of Housing & Community Development