



**ORANGE COUNTY
COUNCIL OF GOVERNMENTS**
Technical Advisory Committee

Meeting Date / Location

Tuesday, October 1, 2019
9:30 A.M. – 12:00 P.M.
IRVINE CITY HALL
CONFERENCE AND TRAINING CENTER (CTC)
1 CIVIC CENTER PLAZA
IRVINE, CALIFORNIA 92623

<u>Agenda Item</u>	<u>Staff</u>	<u>Page</u>
INTRODUCTIONS	(Chair Marika Poynter, City of Irvine)	
PUBLIC COMMENTS	(Chair Poynter)	

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not include what action will be taken. The Technical Advisory Committee may take any action which it deems appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

At this time members of the public may address the TAC regarding any items within the subject matter jurisdiction, which are not separately listed on this agenda. Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion. NO action may be taken on items not listed on the agenda unless authorized by law. Comments shall be limited to three minutes per person and an overall time limit of twenty minutes for the Public Comments portion of the agenda.

Any person wishing to address the TAC on any matter, whether or not it appears on this agenda, is requested to complete a "Request to Speak" form available at the door. The completed form is to be submitted to the TAC Chair prior to an individual being heard. Whenever possible, lengthy testimony should be presented to the TAC in writing and only pertinent points presented orally. A speaker's comments shall be limited to three minutes.

ADMINISTRATION

1.	OCCOG TAC Meeting Minutes ♦ Draft OCCOG TAC minutes for the September 3, 2019 meeting <u>Recommended Action:</u> Approve OCCOG TAC minutes of September 3, 2019, as presented or amended	(Chair Poynter)	1
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PRESENTATIONS, DISCUSSION AND ACTION ITEMS, REPORTS

2.	Center for Demographic Research Update ♦ January 1- June 30, 2019 Housing Inventory System Data Collection ♦ 2020 Census New Construction Program	(Ms. Deborah Diep, Director, Center for Demographic Research) – 20 minutes	5
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Agenda Item	Staff	Page
<i>Recommended Action:</i> Receive report. Discussion.		
3. Connect SoCal Growth Forecast	(Ms. Kimberly Clark, SCAG staff) – 30 minutes	7
<i>Recommended Action:</i> Receive report. Discussion.		
4. Regional Housing Needs Assessment Update ◆ Proposed Regional Housing Needs Assessment Methodology Discussion	(Chair Poynter) – 30 minutes	
<i>Recommended Action:</i> Receive report. Discussion.		
5. Update on Regional Policy Issues ◆ Southern California Association of Governments Regional Council and Policy Committee meetings ◆ Southern California Association of Governments Technical Working Group meeting ◆ Accessory Dwelling Unit/Housing Supply Bills of Interest	(Chair Poynter and Ms. Diep) – 20 minutes	35
<i>Recommended Action:</i> Receive report. Discussion.		

REPORT FROM THE CHAIR

REPORT FROM THE OCCOG EXECUTIVE DIRECTOR

MATTERS FROM OCCOG TAC MEMBERS

ANNOUNCEMENTS FROM NON-MEMBERS

ITEMS FOR NEXT MEETING

IMPORTANT DATES OR UPCOMING EVENTS

- ◆ October 3, 2019: Southern California Association of Governments Regional Council and Policy Committee Meeting
- ◆ October 7, 2019: Regional Housing Needs Assessment (RHNA) Subcommittee *Determination of RHNA Preferred Methodology*
- ◆ October 17, 2019: Southern California Association of Governments Technical Working Group Meeting
- ◆ October 21, 2019: Special Meeting of the Southern California Association of Governments Community, Economic and Human Development (CEHD) Meeting
- ◆ October 24, 2019: Orange County Council of Governments Board of Directors Meeting
- ◆ October 25, 2019: Association of California Cities Orange County Housing Forum

- ◆ November 5, 2019: Orange County Council of Governments Technical Advisory Committee Meeting
- ◆ November 7, 2019: Southern California Association of Governments Regional Council and Policy Committee Meetings *Determination of RHNA Methodology and Release of Connect SoCal (2020 Regional Transportation Plan/Sustainable Communities Strategy)

**Adjourn to: NOVEMBER 5, 2019
CITY OF IRVINE – CITY HALL
CONFERENCE AND TRAINING CENTER (CTC)
1 CIVIC CENTER PLAZA
IRVINE, CALIFORNIA 92623**



**ORANGE COUNTY
COUNCIL OF GOVERNMENTS**
Technical Advisory Committee

Draft Action Minutes

Meeting of September 3, 2019

The Orange County Council of Governments Technical Advisory Committee (TAC) meeting of September 3, 2019, was called to order by Chair Marika Poynter, City of Irvine, at the City of Irvine City Hall, Conference and Training Center (CTC), 1 Civic Center Plaza, Irvine, California 92623 at 9:40 a.m. Attendees were invited by the Chair to introduce themselves. The list of meeting attendees is attached.

PUBLIC COMMENT:

There were no public comments.

ADMINISTRATION

1. OCCOG TAC Meeting Minutes

The OCCOG meeting minutes of August 6, 2019 were unanimously approved by the TAC as moved by Mr. Nate Farnsworth, City of Yorba Linda, and a second by Vice Chair Susan Kim, City of Anaheim.

PRESENTATIONS, DISCUSSION AND ACTION ITEMS, REPORTS

2. Regional Housing Needs Assessment Update

Chair Poynter and Ms. Diep provided an update on the latest with the development of the Regional Housing Needs Assessment methodology, including a review of the public hearings and workshops held throughout August.

Action: Received report.

3. Update on Regional Policy Issues

Chair Poynter, Ms. Diep, and Vice Chair Susan Kim provided the Technical Advisory Committee with a general update on the development of Connect SoCal, the 2020 Regional Transportation Plan/Sustainable Communities Strategy. Specifically, Ms. Diep provided the latest update on the greenhouse gas emissions reductions being achieved by the draft Connect SoCal plan.

According to the report provided to the Technical Working Group, the on-model demonstrates an 11-13 percent greenhouse gas emission reduction and the off-model demonstrates a reduction of 6-7 percent. In 2016, 14 percent of the greenhouse gas emission were achieved on-model, while 4 percent was associated with off-model. The off-model results need to be adopted by the California Air Resources Board.

Chair Poynter shared that the Community, Economic and Human Development (CEHD) policy committee and Regional Council will be taking action on the objection to the California Housing and Community Development on the 1,344,740 regional allocation assigned to SCAG.

OCCOG TAC Minutes
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Action: Received report. Discussion

REPORT FROM CHAIR/VICE CHAIR

There was no additional report from the Chair or Vice Chair.

REPORT FROM THE EXECUTIVE DIRECTOR

There was no report from the Executive Director.

MATTERS FROM OCCOG TAC MEMBERS

There were no other matters from OCCOG TAC members.

ANNOUNCEMENTS FROM OCCOG TAC NON-MEMBERS

There were no announcements from OCCOG TAC non-members.

ITEMS FOR NEXT MEETING

IMPORTANT DATES OR UPCOMING EVENTS

- ◆ September 5, 2019: Southern California Association of Governments Regional Council and Policy Committee Meetings
- ◆ September 19, 2019: Southern California Association of Governments Technical Working Group Meeting
- ◆ September 26, 2019: Orange County Council of Governments Board of Directors Meeting
- ◆ October 3, 2019: Southern California Association of Governments Regional Council and Policy Committee Meetings
- ◆ October 7, 2019: Regional Housing Needs Assessment (RHNA) Subcommittee
Determination of RHNA Preferred Methodology
- ◆ October 17, 2019: Southern California Association of Governments Technical Working Group Meeting
- ◆ October 21, 2019: Special Meeting of the Southern California Association of Governments Community, Economic and Human Development (CEHD) Meeting
- ◆ October 24, 2019: Orange County Council of Governments Board of Directors Meeting

ADJOURNMENT

The meeting was adjourned by Chair Poynter until Tuesday, October 1, 2019 at the City of Irvine City Hall, Conference and Training Center, 1 Civic Center Plaza, Irvine, California 92623.

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Submitted by:

Marika Poynter, City of Irvine
OCCOG TAC Chair

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Attendees List for September 3, 2019 Meeting

Marika Poynter, City of Irvine
Justin Equina, City of Irvine
Jaime Murillo, City of Newport Beach
Joe Lambert, City of Placentia
Joanne Hwang, City of Anaheim
Melanie McCann, City of Santa Ana
Ruby Zaman, Center for Demographic Research/California State University Fullerton
Nate Farnsworth, City of Yorba Linda
Derek Bingham, City of Rancho Santa Margarita
Erica Roess, City of Aliso Viejo
Doug Feremenga, Transportation Corridor Agencies
Ricardo Soto, City of Santa Ana
Amy Stonich, City of Stanton/City of Cypress
Chris Chung, City of Garden Grove
Warren Whiteacker, Orange County Transportation Authority
Sandie Kim, City of Westminster
Izzak Mireles, City of Stanton
Michael Son, City of Westminster
Joanna Chang, County of Orange
Steven Giang, County of Orange
Ashley Brodtkin, City of Orange
Chad Ortlieb, City of Orange
Erich List, City of Laguna Niguel
Jonathan Orduna, City of Laguna Niguel
Maribeth Tinio, City of Brea
Ashlyn Newman, City of Fountain Valley
Brian James, City of Fountain Valley
Christopher Wright, City of San Clemente
Scott Reekstin, City of Tustin
Deborah Diep, Center for Demographic Research/California State University Fullerton
Marnie Primmer, Orange County Council of Governments
Susan Kim, City of Anaheim
Kori Sanders, City of Cypress
Monique Alaniz-Flejter, City of Laguna Beach
Nicolle Aube, City of Huntington Beach
Kevin Parker, City of Laguna Hills



Item 2: **Center for Demographic Research (CDR) Updates**
Recommended Action: Discussion.

Reports

1. January 1- June 30, 2019 Housing Inventory System (HIS) Data Collection

January 1- June 30, 2019 housing construction and demolition data were due to CDR on Friday, July 26, 2019. HIS submission forms were updated in 2017 and now include the revised categories for the Accessory Dwelling Units. Please submit data to CDR using the 2017 HIS form located at <http://www.fullerton.edu/cdr/HISform.xls>. Revisions to prior years may use either the new or old form. CDR's Demographic Analyst and HIS contact is Tania Torres. She can be reached at 657-278-3417 or atorres@fullerton.edu. As of September 18, 2019, the following jurisdictions have not provided data for the first half of 2019:

- Buena Park
- Cypress
- Fullerton
- San Juan Capistrano
- Westminster

Amendments to DOF data for any year since 2010 should be submitted to Doug Kuczynski at Douglas.Kuczynski@dof.ca.gov; (916) 323-4086.

2. 2020 Census New Construction Program

Registration for the U.S. Census Bureau New Construction Program ended June 14, 2019. The New Construction Program is the opportunity to submit city-style mailing addresses for new units where construction began during or after March 1, 2018 and the address was not submitted to the Census Bureau as part of another geographic partnership program since March 2018, such as the LUCA program (Local Update of Census Addressing). Addresses must have basic construction (closing the structure to the elements, roof, door, windows) completed by Census Day.

<https://www.census.gov/programs-surveys/decennial-census/about/new-construction.html>

CDR requests that any units and addresses reported in the Census Bureau's New Construction Program also be report to CDR so we can eliminate double counting when it comes to HIS.

The New Construction Program Schedule

- June 14, 2019 – New Construction Program registration deadline.
- September 2019 – Registered participants receive/download materials. Participants have 45 calendar days to respond after receiving the notification of materials.
- September 2019 – Training webinars begin.
- September - October 2019 – E-mail reminders sent.
- December 2019 – Closeout materials sent to participants.

Training Webinar Information

The Census Bureau is conducting New Construction Program webinars beginning in September 2019. The webinars provide an overview of the New Construction Program and demonstrate the methods of participation and submission. As the New Construction Program liaison for a registered government, you are encouraged to participate in a webinar. Please have your materials available, as there will be an opportunity to ask Census Bureau staff questions about the New Construction Program and materials.

To register for a webinar, follow the steps below:

1. Locate a webinar date and time below along with the Census Bureau office conducting the webinar.



OCCOG Technical Advisory Committee

October 1, 2019

- 2. Email your request to GEO.2020.NC@census.gov with the subject line “RSVP to 2020 Census New Construction Program Webinar.” The email should include the following information:
 - o Attendee’s name.
 - o Attendee’s phone number.
 - o Government name.
 - o Date/Time/Census Bureau office conducting webinar.

October Webinar Schedule

Date	Time	Census Bureau Office
October 1, 2019	10:00a-12:30p CDT	Chicago, IL
October 1, 2019	10:00a-12:30p PDT	Los Angeles, CA
October 1, 2019	1:30p-4:00p EDT	New York, NY
October 1, 2019	1:00p-3:30p EDT	Washington, DC
October 2, 2019	10:00a-12:30p EDT	Philadelphia, PA
October 2, 2019	1:00p-3:30p CDT	Chicago, IL
October 3, 2019	10:00a-12:30p EDT	Atlanta, GA
October 3, 2019	1:00p-3:30p PDT	Los Angeles, CA
October 4, 2019	9:30a-12:00p EDT	New York, NY
October 7, 2019	9:30a-12:00p EDT	New York, NY
October 8, 2019	1:00p-3:30p EDT	Washington, DC
October 8, 2019	1:00p-3:30p CDT	Chicago, IL
October 8, 2019	1:00p-3:30p PDT	Los Angeles, CA
October 9, 2019	1:30p-4:00p EDT	New York, NY
October 9, 2019	10:00a-12:30p CDT	Chicago, IL
October 10, 2019	1:00p-3:30p EDT	Philadelphia, PA
October 10, 2019	10:00a-12:30p EDT	Atlanta, GA
October 10, 2019	1:00p-3:30p PDT	Los Angeles, CA
October 15, 2019	1:00p-3:30p EDT	Washington, DC

Contact: Ms. Deborah Diep, Director, Center for Demographic Research
657/278-4596 ddiep@fullerton.edu

For Employment data: Ms. Ruby Zaman, Assistant Director, CDR
657/278-4709 ruzaman@fullerton.edu

For GIS: Mr. Ian Boles, GIS Analyst, CDR
657/278-4670 iboles@fullerton.edu

For HIS: Ms. Tania Torres, Demographic Analyst, CDR
657/278-3417 tatorres@fullerton.edu

Framework of Staff Recommended RHNA Allocation Methodology

September 23, 2019 Workshop

www.scag.ca.gov



Framework of Staff Recommended RHNA Methodology

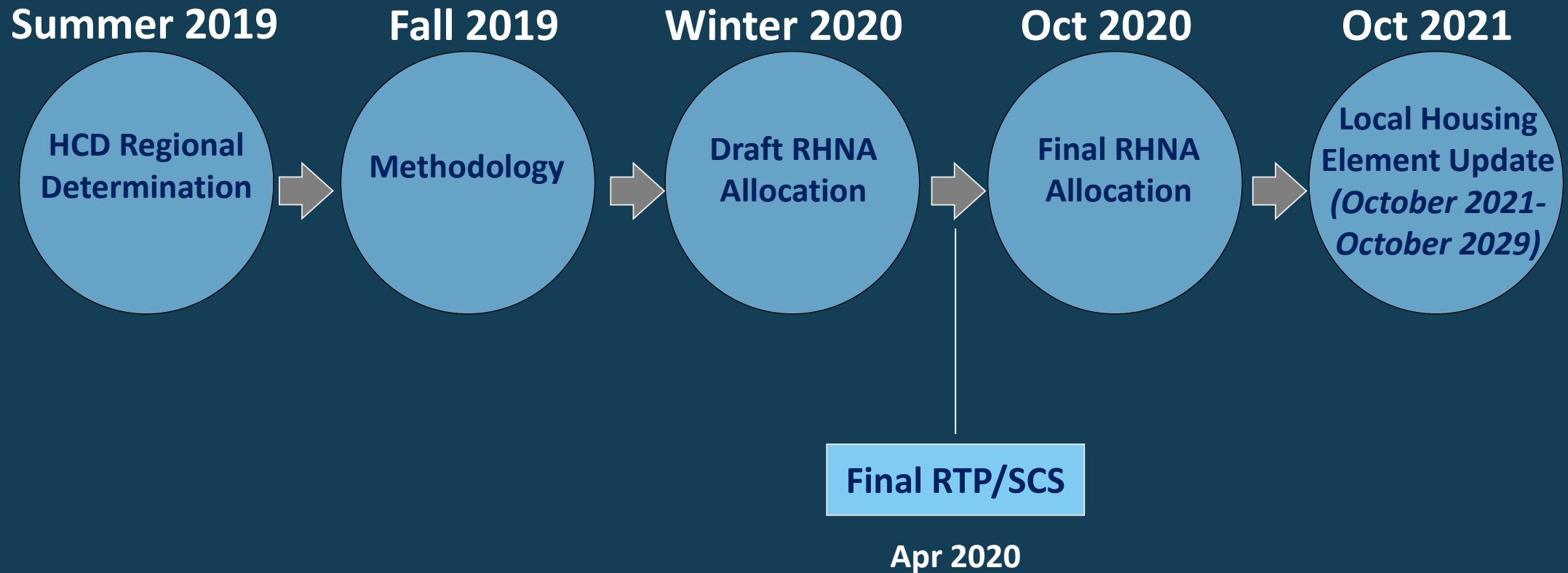
Public Workshop



Agenda

1. Welcome
2. Framework of staff recommended RHNA methodology
3. Questions on the Framework
4. Comments from SCAG offices and videoconference sites

The RHNA Process



HCD Regional Determination



- HCD provided a regional determination of 1,344,740 units for the 6th cycle RHNA planning period (October 2021 – October 2029)
- Final regional determination pending HCD's response to SCAG's objection
- Represents existing and projected need
- The purpose of the RHNA methodology is to distribute the regional determination

The RHNA Methodology Process



Objectives of RHNA

- 1) To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns



Objectives of RHNA

- 3) Promoting an improved intraregional relationship between jobs and housing
- 4) Allocating a lower proportion of housing need in income categories in jurisdictions that have a disproportionately high share in comparison to the county distribution
- 5) Affirmatively furthering fair housing (AFFH)



Proposed RHNA Methodology: Options



- Released for public comment on August 1, 2019
- Three options developed based on feedback from RHNA Subcommittee and stakeholders
- Each option applies different components
- Stakeholders were invited to comment on the options and any other factors or alternative options

RHNA Methodology Public Review and Comment

- Comment period: August 1 to September 13, 2019
- Four public hearings and an information session were held in August
 - Approximately 250 people attended in-person and via webcast
 - Over 35 verbal comments shared
- Over 248 comments were submitted until the September 13 deadline
 - 118, or 48%, were submitted by local jurisdictions & Subregions
 - Advocacy organizations
 - Residents and resident groups
 - General public
- All written comments are available on the RHNA webpage:
www.scag.ca.gov/rhna

Overall Approach for Staff Recommended RHNA Methodology

1. Projected Need: A jurisdiction's projected housing need will be based on SCAG's jurisdictional growth forecast for 2021 –2029 with adjustments.

2. Existing Need:
 - Follow Connect SoCal 2045 household forecast with adjustments to further plan objectives and state housing law.
 - Adjustments include assigning additional housing units based on a jurisdiction's level of access to jobs and transit.
 - Limit the number of jurisdictions whose allocation exceeds 2045 household forecast to jurisdictions with highest levels of access to jobs and transit with AFFH considerations below.
 - Cap allocation at 2045 household forecast in jurisdictions with high segregation, poverty, and low resource levels.

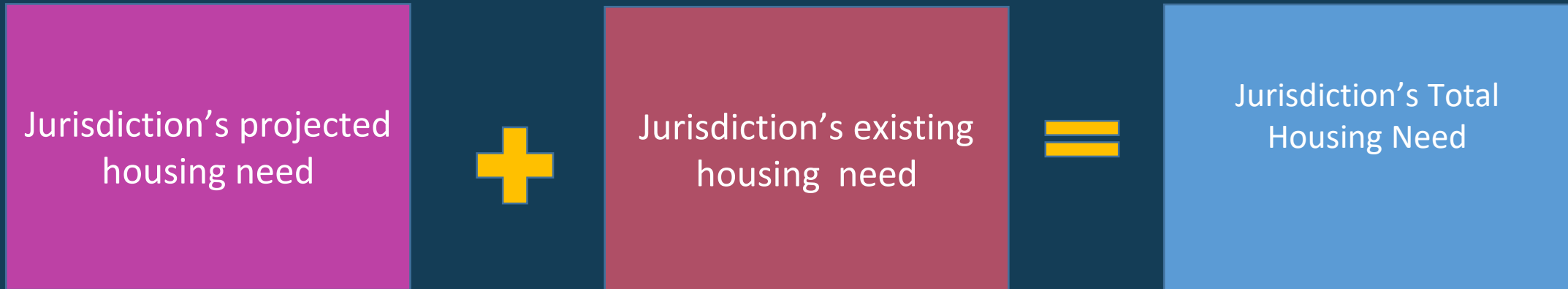
Overall Approach for Staff Recommended RHNA Methodology



3. Social equity and AFFH adjustments:

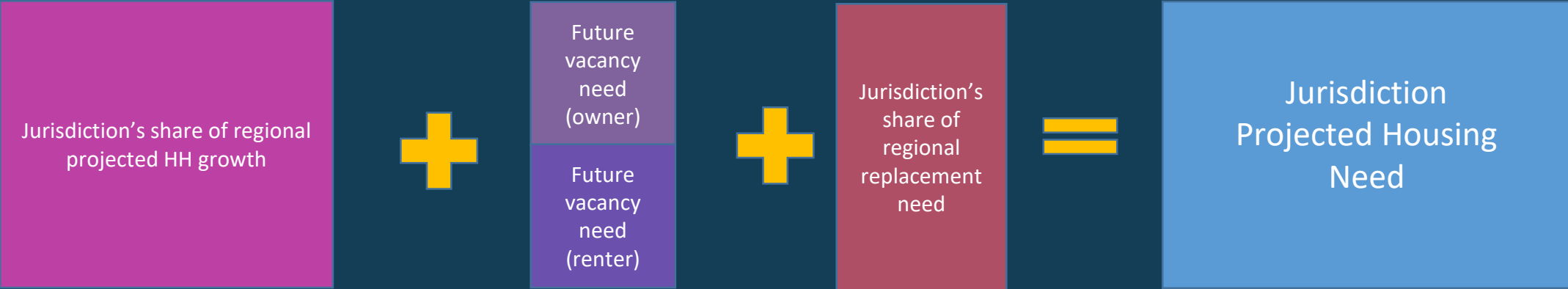
- Jurisdictions' RHNA allocation will be split across four income categories such that the state-assigned regional totals for very-low, low, moderate, and above-moderate income housing planning are achieved.
- A jurisdiction's share of housing units within each income category will be adjusted based on how a jurisdiction's household income compares to the county.
- For the very highest and very lowest resourced jurisdictions, as defined by the state, this adjustment will be increased.

Framework of Staff Recommended Draft RHNA Methodology



Framework of Staff Recommended RHNA Methodology

Step 1: Determining Projected Housing Need

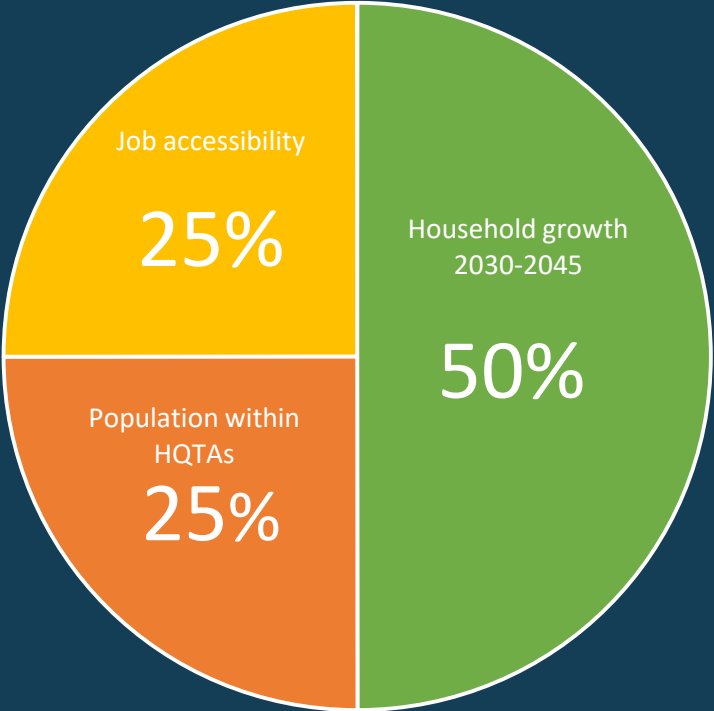


Framework of Staff Recommended RHNA Methodology

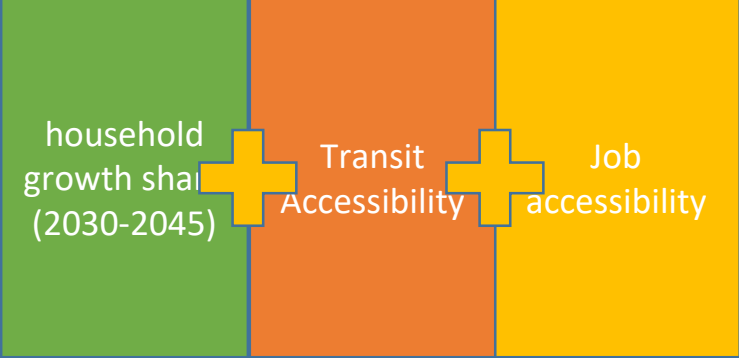
Step 2: Determining Existing Housing Need



Regional Existing Need



Jurisdiction Existing Need

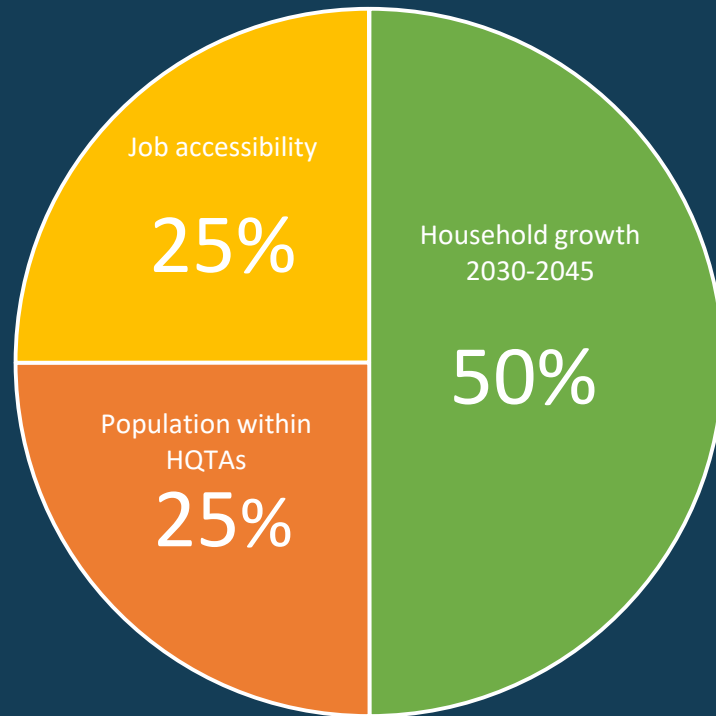


Framework of Staff Recommended RHNA Methodology

Step 2: Determining Existing Housing Need



Regional Existing Need



- Summary of Changes

- +Addition of job accessibility

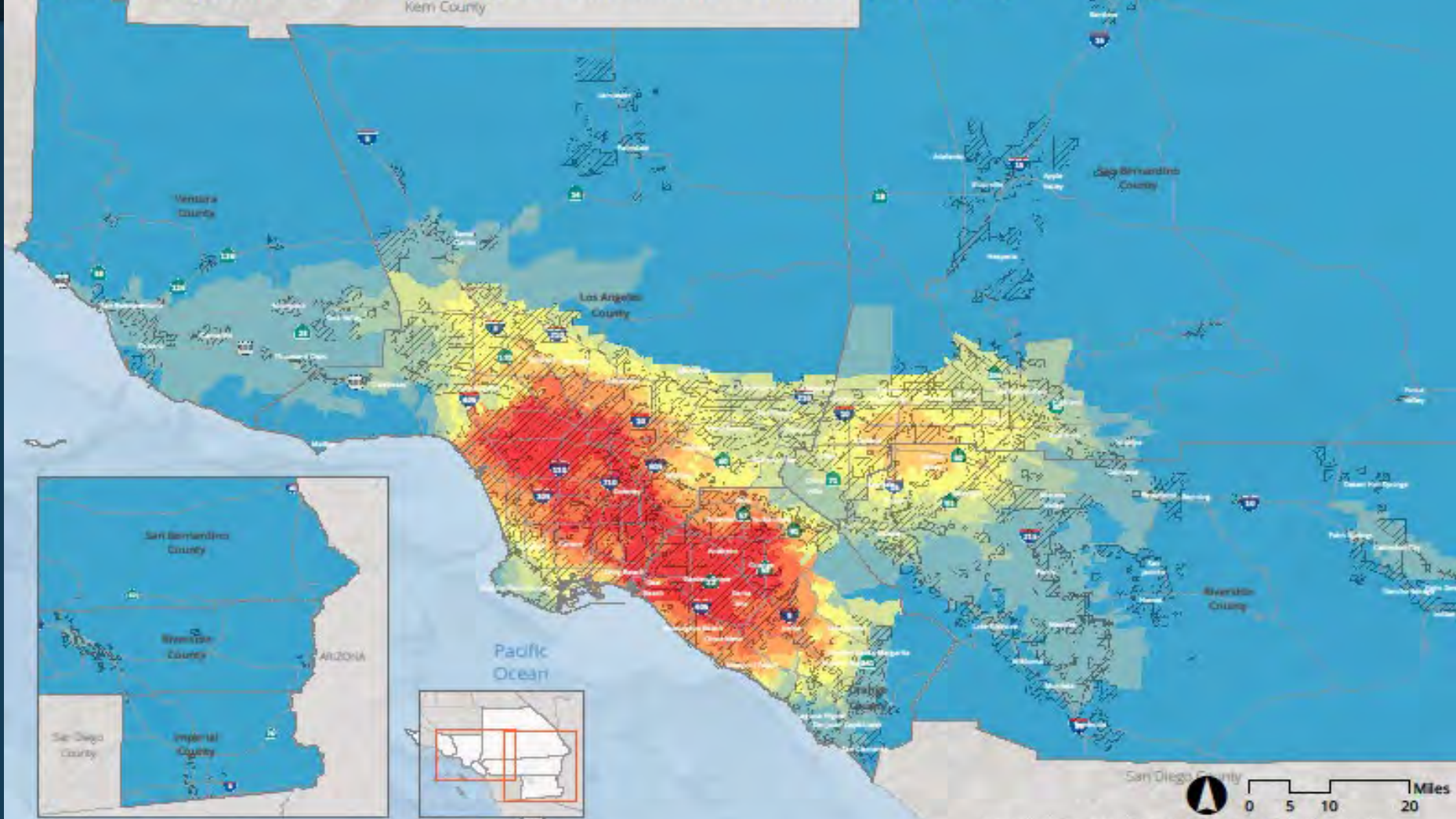
- +Addition of household growth, 2030-2045

- Removal of existing population

- Removal of permit activity

- *Transit accessibility is now based on 2045 HQTAs

Job Accessibility with Priority Growth Areas (Share of Regional Jobs Accessible by TAZ with Auto in 30 minutes; 2045 Plan)



Job Accessibility (Share of Regional Jobs Accessible by TAZ with Auto in 30 minutes; 2045 Plan)



Priority Growth Areas*

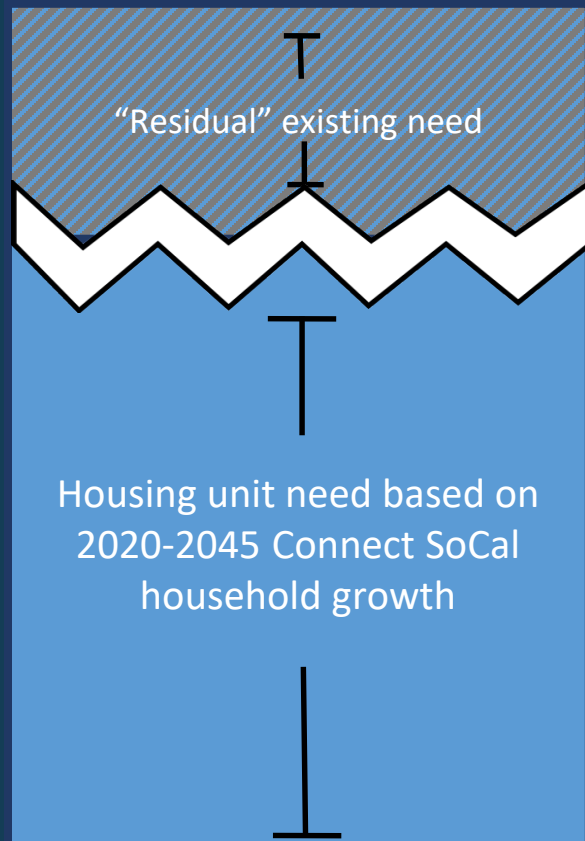
*Including High Quality Transit Areas (HQTAs; 2045 Plan), Transit Priority Areas (TPAs; 2045 Plan), Specific Plan Areas, Job Centers, Neighborhood Mobility Areas (NMAs) and Livable Corridors.

Framework of Staff Recommended RHNA Methodology

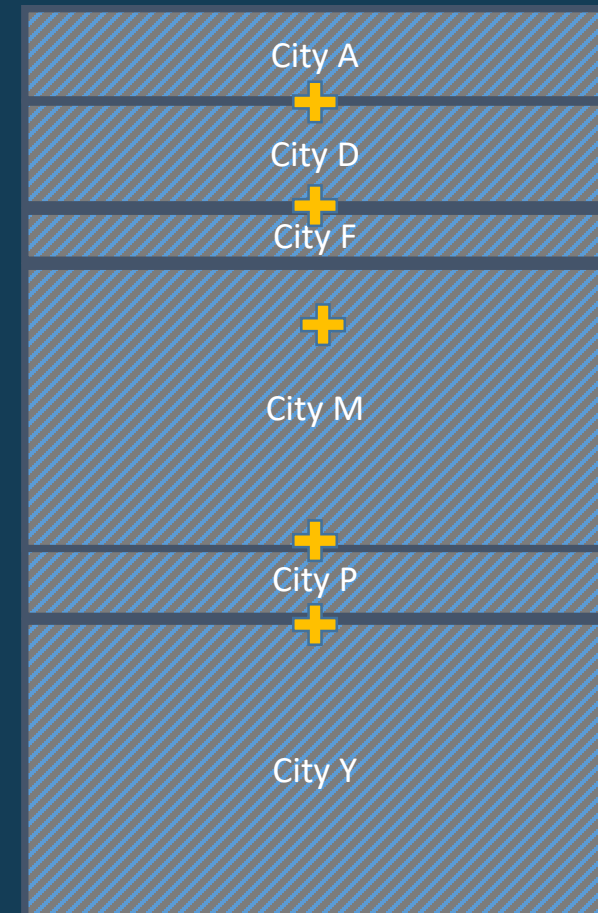
Step 2: Determining Existing Housing Need



City A calculated existing need

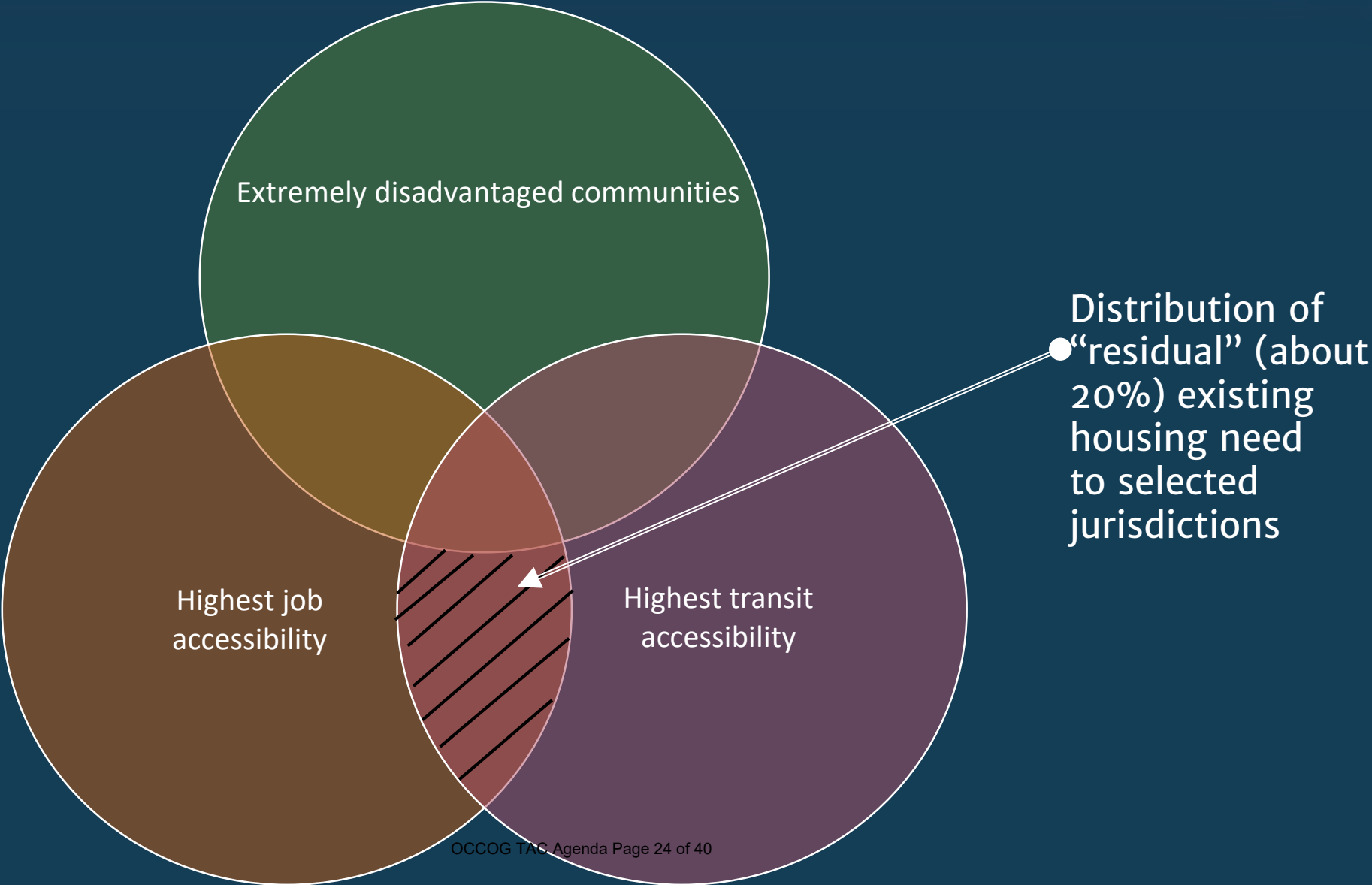


Regional "residual" existing need
(about 20% of existing need)



Framework of Staff Recommended RHNA Methodology

Step 2: Determining Existing Housing Need

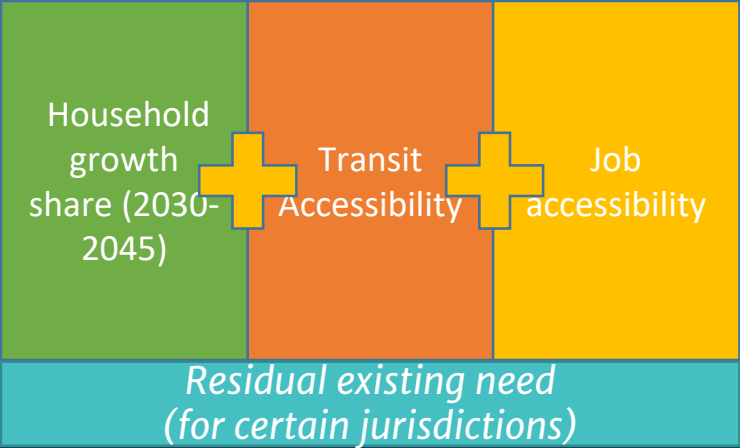


Framework of Staff Recommended Draft RHNA Methodology

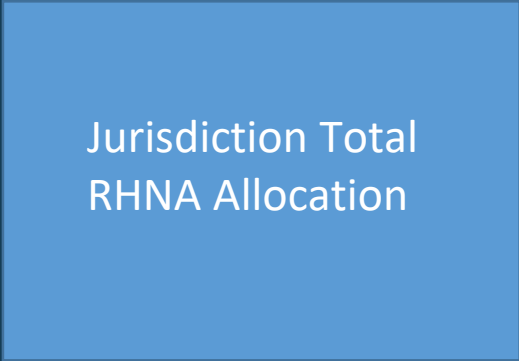
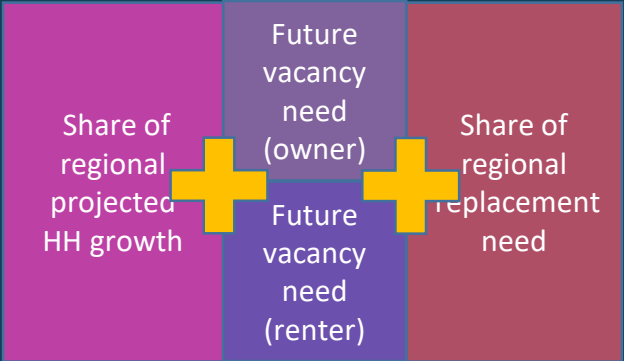
Step 3: Total RHNA and Four Income Categories



Jurisdiction Existing Need



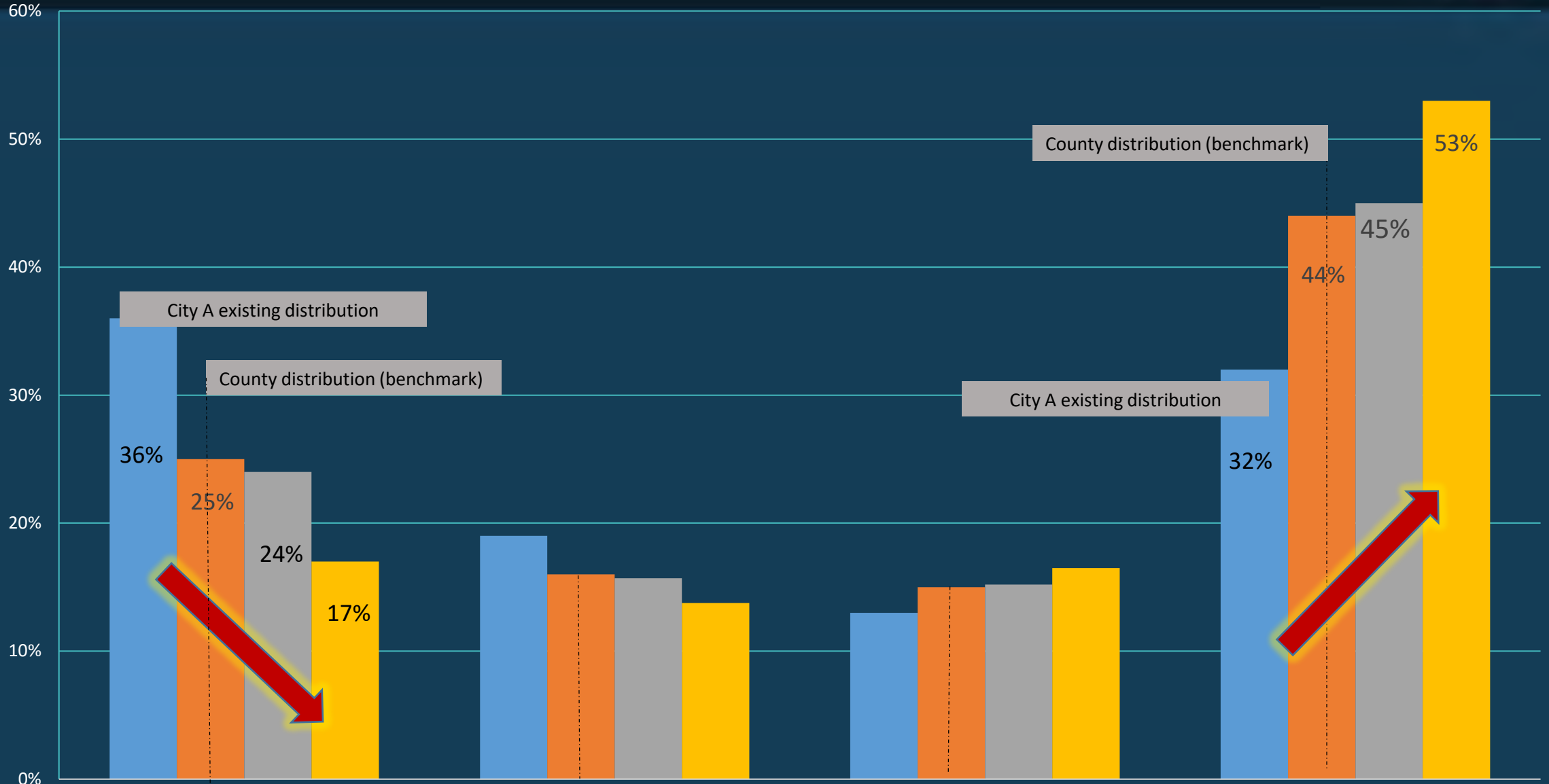
Jurisdiction Projected Need



Social Equity Adjustment



HH Income Distribution



Framework of Staff Recommended RHNA Methodology

Step 3: Total RHNA and Four Income Categories



AFFH and Opportunity Indices

- California Tax Credit Allocation Committee (TCAC) created “Opportunity Indices” that identify areas with low, moderate, and high levels of resources (<https://www.treasurer.ca.gov/ctcac/opportunity.asp>)
- Opportunity Indices include indicators of:
 - Health and environment
 - Math and reading proficiency
 - Low wage job proximity
 - Poverty rates
 - Educational attainment

Framework of Staff Recommended RHNA Methodology

Step 3: Total RHNA and Four Income Categories



Highest areas of concentration will receive an additional social equity adjustment

Concentration of population within very low or very high resource area	Additional social equity adjustment
70-80%	+10%
80-90%	+20%
90-100%	+30%

Framework of Staff Recommended RHNA Methodology

Step 3: Total RHNA and Four Income Categories



Social equity adjustment



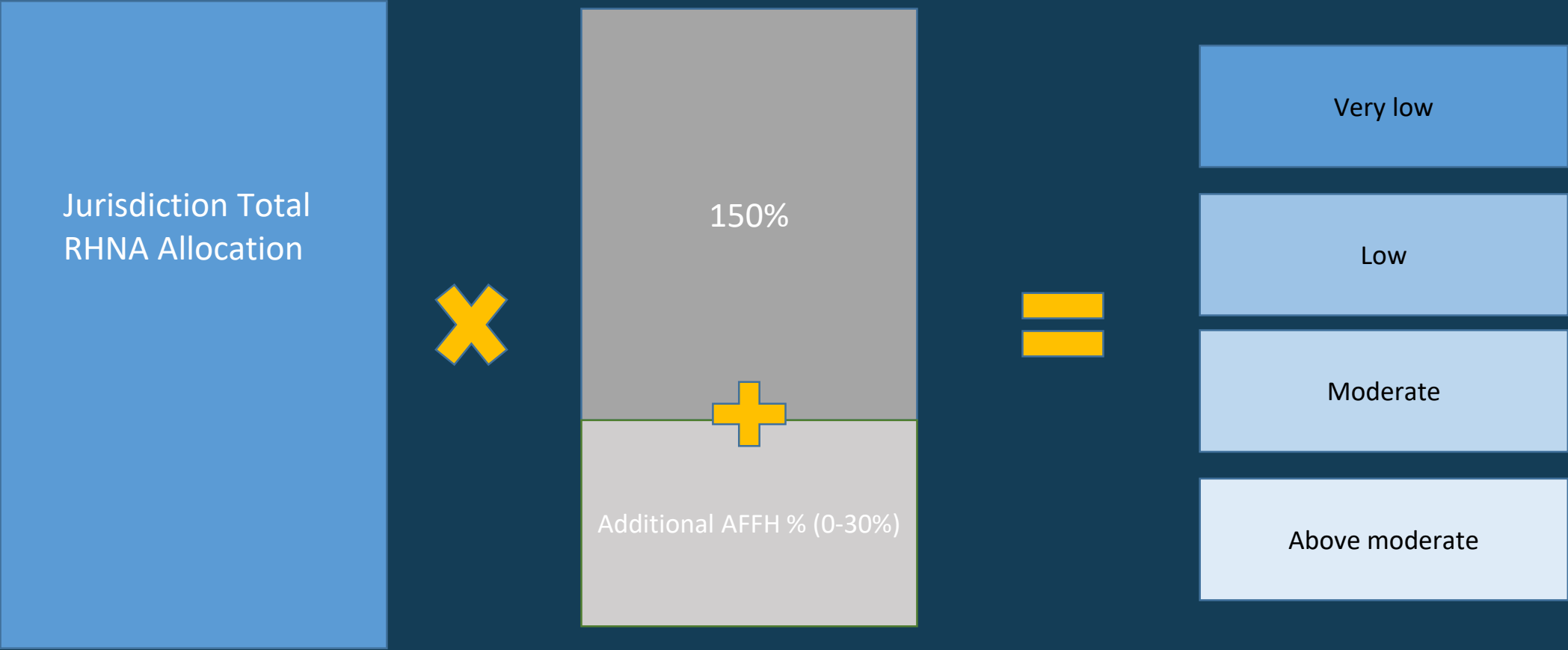
Framework of Staff Recommended RHNA Methodology

Step 3: Total RHNA and Four Income Categories



Social equity adjustment

Jurisdiction Total RHNA Allocation



Framework of Staff Recommended RHNA Methodology



Existing need	Projected need	Income categories
Household growth 2030-2045	Household growth 2020-2030	150% social equity adjustment minimum
Transit accessibility (HQTA population, 2045)	Future vacancy need	0-30% additional adjustment for areas with lowest or highest resource concentration
Job accessibility	Replacement need	
Residual distribution beyond 2020-2045 household growth		

Furthering RHNA Objectives



	Increase housing supply	Promote infill development/protect open space	Jobs housing relationship	Avoid overconcentration of income groups	AFFH
Household growth	Yes				
Job accessibility		Yes	Yes		
Transit Accessibility		Yes			
Existing need redistribution		Yes	Yes	Yes	Yes
Social equity				Yes	Yes
AFFH				Yes	Yes

Next Steps



- October 7 (10:00 a.m.): RHNA Subcommittee meeting
 - Agenda and updated tool for staff recommended methodology are scheduled to be posted by next Tuesday
 - Videoconferencing and webcasting available
- October 21 (10:00 a.m.): Special CEHD Committee meeting
- November 7 (12:15 p.m.): Regional Council
- November 2019 – January 2020: HCD 60-day review
- January/February 2020: Final RHNA Allocation Methodology

For more information:

www.scag.ca.gov/rhna

Email: housing@scag.ca.gov

www.scag.ca.gov



Accessory Dwelling Unit/Housing Supply Bills of Interest

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) have been an item of interest for the State Legislature over the past few legislative sessions. The most recent changes to ADU and JADU statutes have yielded an increase in the number of local applications for these units. Seen by the Legislature as an affordable and effective option for adding to the housing supply in California, additional legislation was passed by the Legislature in 2019 and is awaiting action by the Governor. Below is a brief summary of some of the major bills of interest in this category.

Bills of Interest

AB 68 (Ting, D-San Francisco) Land Use: accessory dwelling units

Last Amended: 9/9/19

Status: 9/13/19 – Senate amendments concurred in. To Engrossing and Enrolling.

AB 68 modifies existing statutes related to ADUs and Junior Accessory Dwelling Units (JADUs) with a stated goal of reducing barriers to expanded use of ADUs as a means to address the housing crisis. AB 68 makes the following changes:

- Permits two ADUs on lots with single-family homes and multiple ADUs on lots with multi-family dwellings
- Allows for ministerial approvals at the local level if there is an existing or proposed primary residence, to be completed within 60 days
- Prohibits local agencies from doing the following:
 - Imposing minimum lot size requirements for ADUs
 - Imposing maximum dimensions for an ADU that do not allow:
 - 850 square feet for one or fewer bedrooms
 - 1,000 square feet for two or more bedrooms
 - Requiring a set-back that for an ADU built within an existing structure or a new structure in the same footprint
 - Requiring more than a four-foot set-back for all other ADUs
 - Requiring replacement parking when parking is demolished to create an ADU

Supporters of AB 68, including the California Association of Realtors, offer that streamlining the ADU approval process will help address California's housing shortage and "capitalize on limited land resources." Opponents, including local cities, state that by removing the requirement for a property owner to live on site will incentivize large-scale investors to acquire these properties rather than a more traditional homeowner-renter relationship. Additionally, the prohibition of the requirement to create replacement parking could intensify existing parking shortages in high density areas.

Accessory Dwelling Unit/Housing Supply Bills of Interest

AB 69 (Ting, D-San Francisco and Quirk-Silva, D-Fullerton) Land Use: accessory dwelling units

Last Amended: 6/20/19

Status: 9/13/19 – Senate amendments concurred in. To Engrossing and Enrolling.

AB 69 requires the Housing and Community Development Department, by January 1, 2021 to submit small building home standards to the California Building Standards Commission for ADUs and homes of less than 800 square feet.

Those standards must allow for small kitchens and bathrooms with small appliances, favor cost-effective construction standards, and define a small home as an ADU of less than 800 square feet, a JADU, or any other attached dwelling unit under 800 square feet.

Supporters of AB 69 contend that the creation of a separate building code for smaller units will help bring down the costs of construction and incentivize the development of ADUs. Opponents, including the California Fire Chiefs Association, state that the increased construction of ADUs will increase density and demand for fire services without concurrent resources to meet that demand.

AB 670 (Friedman, D-Glendale) Common Interest Developments: accessory dwelling units

Last Amended: 5/24/19

Status: 8/30/19 Approved by the Governor. Chaptered by Secretary of State - Chapter 178, Statutes of 2019

AB 670 voids the covenants, conditions, or restrictions (CC&Rs) of a Homeowners Association (HOA) if they prohibit or unreasonably restrict the construction or installation of ADUs or JADUs in a single-family planned development as long as that construction meets state requirements.

Reasonable restrictions are defined as restrictions that do not unreasonably increase the cost to construct, effectively prohibit the construction of, or extinguish the ability to otherwise construct, an ADU or JADU. Legislative intent language is included in the bill to encourage ADUs and JADUs that are on owner-occupied properties and are intended to be used as long-term rentals.

Supporters of the bill, including the California Apartment Association, state that removing barriers to the development of ADUs can quickly add units to the housing market. Opponents argued that the bill should apply to new HOA developments, rather than existing developments.

Accessory Dwelling Unit/Housing Supply Bills of Interest

AB 671 (Friedman, D-Glendale) Accessory Dwelling Units: incentives

Last Amended: 9/6/19

Status: 9/23/19 Enrolled and presented to the Governor at 3:30 p.m.

AB 671 requires local governments to include a plan to incentivize and promote the creation of ADUs in their housing element required under the Regional Housing Needs Assessment (RHNA) process. These ADUs are to be targeted toward very-low, low-, and moderate-income households. Assemblymember Friedman cites examples of local governments providing low-cost loans, Section 8 voucher subsidies, and pre-approved ADU designs that come with a streamlined cost and timeline.

Supporters offer that this requirement could help increase the supply of ADUs to help address the housing crisis. There is no opposition on file.

AB 881 (Bloom, D-Santa Monica) Accessory Dwelling Units

Last Amended: 9/9/19

Status: 9/13/19 – Senate amendments concurred in. To Engrossing and Enrolling.

AB 881 would limit the criteria that local governments can use to permit ADUs, add clarifying language regarding ministerial approvals, and eliminate the ability of local agencies to require owner-occupancy.

The bill would require that local agencies could only consider adequacy of water and sewer services and the impact of ADUs on traffic flow and public safety as part of permitting approvals. Additionally, local agencies would be required to ministerially approve ADUs if the unit is contained within an existing structure. Through January 1, 2025, local agencies cannot require ADUs or the primary dwelling to be owner occupied. Lastly, local agencies would be prohibited from imposing additional parking standards for dwellings that are within a half-mile of transit service.

Supporters, including the Bay Area Council, state that by reducing construction costs and removing owner occupancy requirements, it will increase the availability of housing in California. Opponents, including the South Bay Cities Council of Governments, content that removing owner occupancy requirements will remove oversight of the property and increase rents being charged for the ADU.

AB 1197 (Bloom, D-Santa Monica) California Environmental Quality Act: exemption: City of Los Angeles: supportive housing and emergency shelters

Last Amended: 9/6/19

Status: 9/11/19 – Senate amendments concurred in. To Engrossing and Enrolling.

AB 1197 exempts emergency shelters established during a declared shelter crisis and supportive housing projects in the City of Los Angeles from the California Environmental Quality Act (CEQA). This bill also exempts actions taken by a public agency on land owned by that agency to provide emergency shelters or supportive housing in the City of Los Angeles. The agency must file a notice of exemption and this authority expires in January 1, 2025.

Accessory Dwelling Unit/Housing Supply Bills of Interest

Supporters, including Mayor Eric Garcetti, state that AB 1197 will provide more emergency housing and help move the homeless into safe housing. Resident groups opposing the bill contend that the bill will reduce transparency around these types of projects.

SB 5 (Beall, D-San Jose) Affordable Housing and Community Development Investment Program

Last Amended: 9/11/19

Status: 9/18/19 – Enrolled and presented to the Governor at 4 p.m.

SB 5 establishes the Affordable Housing and Community Development Investment Program, funded by the reallocation of local property tax revenue otherwise allocated to schools. The Affordable Housing and Community Development Investment Committee established by the bill would be tasked with the responsibility for approving local agency plans for projects to be funded by the program. SB 5 requires that the Committee consider geographic equity in the distribution of funds and prioritize projects based on the number and type of units created. Funds allocated to this account will range between \$200 million and \$250 million annually.

Under this bill, local agencies would be allowed to establish an Affordable Housing and Community Development Investment Agency and issue debt. Eligible uses of funds include the following:

- Construction of affordable housing for households making 120% of area median income
- Transit oriented development that maximize density and transit use
- Infill development for high-density, affordable housing and mixed-income housing
- Local community planning and engagement efforts
- Construction, repair, replacement and maintenance of infrastructure to protect communities from climate change

SB 5 further requires that at least 50% of the overall program funding and 50% of each plan's funding be used for affordable housing. At least 80% must go to rental and owner-occupied housing, subject to rent caps, for low-income households making 80% of area median income. The remaining funds must be used to produce moderate income housing (80-120% of area median income). Lastly, the program requires matching funds and the use of skilled labor, as specified. Support for the bill largely comes from local agencies and opposition is mainly comprised of school representative organizations.

Accessory Dwelling Unit/Housing Supply Bills of Interest

SB 13 (Beall, D-San Jose) Accessory Dwelling Units

Last Amended: 9/13/19

Status: 9/20/19 – Enrolled and presented to the Governor at 10:00 a.m.

SB 13 creates a tiered fee structure for ADUs based on assessed impact and reduces barriers including shortening approval timeframes, provides a mechanism for bringing unpermitted units up to code, and increases HCD enforcement on this topic.

Specifically, the bill:

- Limits application approval timeline to 60 days
- Prohibits local agencies from doing the following:
 - Imposing minimum lot size requirements for ADUs
 - Imposing maximum dimensions for an ADU that do not allow:
 - 850 square feet for one or fewer bedrooms
 - 1,000 square feet for two or more bedrooms
 - Requiring a set-back that for an ADU built within an existing structure or a new structure in the same footprint
 - Requiring more than a four-foot set-back for all other ADUs
 - Requiring replacement parking when parking is demolished to create an ADU
- Establishes a tiered schedule of impact fees as follows: Zero fees for an ADU of less than 750 square feet and 25% of impact fees for an ADU of 750 square feet or more
- Creates a review process for HCD to assess the compliance of local ordinances with state law.
- Authorizes a local agency to count ADUs as part of their housing element
- Requires a local agency notice of a violation to include a statement of the owner's right to request a delay in enforcement. At the request of the owner, the local agency must delay enforcement for five years if correction is not necessary to protect health and safety, if the unit was built before January 1, 2020 or before that date if a compliant ordinance was in place.
- SB 13 sunsets on January 1, 2025.

Supporters state that SB 13 would bring impact fees in better alignment with the impacts of ADUs on services. Opponents object to additional changes to ADU law when local agencies are still implementing prior changes. They also object to the lowering of fees, as well as the removal of parking and owner occupancy requirements.

Accessory Dwelling Unit/Housing Supply Bills of Interest

SB 330 (Beall, D-San Jose) Housing Crisis Act of 2019

Last Amended: 9/6/19

Status: 9/17/19 – Enrolled and presented to the Governor at 2:00 p.m.

SB 330, titled the Housing Crisis Act of 2019, places restrictions on development standards, amends the Housing Accountability Act (HAA), and makes change to approval and permitting requirements. Specifically, SB 330 requires a local agency that proposes to disapprove a housing development project that complies with applicable, objective general plan and zoning standards and criteria that were in effect at the time the application was deemed to be complete, or to approve it on the condition that it be developed at a lower density, to base its decision upon written findings supported by substantial evidence on the record that specified conditions exist, and places the burden of proof on the local agency to that effect. The act requires a court to impose a fine on a local agency under certain circumstances and requires that the fine be at least \$10,000 per housing unit in the housing development project on the date the application was deemed complete. This bill would, until January 1, 2025, specify that an application is deemed complete for these purposes if a preliminary application was submitted, as specified.

Supporters content that SB 330 will increase the supply of lower-income housing by streamlining applications processes and ensuring protections are in place for lower-income households. Those in opposition state that the reduction in local control and onerous restrictions will reduce community input and drive up prices in high demand areas.