



the City and the region. Specifically, the Commission highlighted the following accomplishments in 2018: 1) the City is exceeding its allocation of market rate units, 2) the City Council adopted an anti-discrimination ordinance 3) the City Council updated the below market rate guidelines, and 4) the City issued a notice of funding availability to foster affordable housing in the City. The Housing Commission also noted areas that should be the focus of additional work, including addressing rent conflicts, dispersing housing across the City, and developing strategies to meet the City's very low, low and moderate income housing unit allocations. To address these items, the Commission recommends that the City explore all city-owned land to identify if any parcels could be housing opportunity sites and if so that those parcels have priority for affordable housing. In addition, the Commission recommends prioritizing locating affordable housing near downtown and transit.

**ACTION:** Motion and second (Grove/McPherson) to recommend City Council approve the 2018 Housing Element Annual Progress Report. The motion passed (6-0-1; Tate absent).

D4. Review and discuss changes to the Housing Commission subcommittees and assignments

Assistant to the City Manager Clay Curtin introduced the item.

By acclamation, the Housing Commission requested the following changes to the subcommittees:

- a) ~~Anti-Displacement Subcommittee (Grove/Horst/Merriman)~~ – removed as a subcommittee
- b) Below Market Rate Housing Guidelines Subcommittee (Dodick/Grove)
- c) Housing Policy Subcommittee (~~McPherson/Merriman/Tate~~) – addition of commissioners Horst and Grove
- d) Marketing Subcommittee (McGraw-Scherer/Horst)
- e) Notice of Funding Availability Subcommittee (McGraw-Scherer) – addition of Grove
- f) Secondary Dwelling Unit Subcommittee – new subcommittee created; addition of Merriman and McPherson

D5. Discuss and recommend future agenda items

Assistant to the City Manager Clay Curtin introduced the item.

Items to be considered for future agenda items include:

- a) Joint meeting with the Planning Commission to discuss secondary dwelling units
- b) Missing middle and workforce housing
- c) Housing Commission work plan and priorities

**E. Reports and Announcements**

E1. Subcommittee reports (10 minutes):

No reports were shared during this meeting due to changes involving subcommittee positions.

E2. Commissioner reports

Commissioner Horst shared a handout (attached) that included California State Legislature bills related to housing. Commissioner Horst gave a brief description of the items listed on the handout and highlighted bills that could affect Menlo Park residents.

Commissioner Merriman shared that Shaun Donovan, former United States Secretary of Housing and Urban Development, would be speaking at MidPen Housing headquarters in San Mateo on March 5, 2019. Merriman additionally spoke about a CASA Compact discussion scheduled for March 26, 2019.

Commissioner Grove spoke about a CASA event on March 14, 2019, a Home For All event on March 28, 2019 and a meeting about Facebook's proposed Willow Village development. San Mateo County is also considering a Tenant Relocation Assistance ordinance.

**E3. Staff updates and announcements**

Assistant to the City Manager Clay Curtin provided the following updates:

- Option A of the draft tenant relocation assistance ordinance is scheduled to return to the City Council for a second reading on March 12, 2019. Councilmembers Taylor and Combs have been meeting with staff as part of the Community Housing Fund Subcommittee.
- Starla Jerome-Robinson has been named the permanent City Manager. She will assume her position at the end of March.
- The updated plans for Facebook's Willow Village are posted on the City's website.
- A first time homebuyer workshop will be held in partnership with HEART of San Mateo County on Thursday, March 7, 2019, from 6:00 – 7:00 p.m. in the City Council Chambers.

**F. Adjournment**

Chair McGraw-Scherer adjourned the meeting at 9:26 p.m.

Michael Noce, Management Analyst II

Approved by the Housing Commission on April 3, 2019

**Sacramento Housing Bills 2019-20 Session, with emphasis on those that deal with local control or could affect Menlo Park residents [updated 3.5.19]**

**In the Senate**

**SCA 1 (Allen, Wiener) \*constitutional amendment so needs support of 2/3 of both houses and voter approval\* Public housing projects**

Repeals provisions prohibiting the development, construction, or acquisition of a “low-rent housing project” (public housing) in any manner by any state public body until a majority of the qualified electors of the jurisdiction in which the development, construction, or acquisition of the project is proposed approve the project by voting in favor at an election. **Specifically, it repeals Article XXXIV of the CA Constitution.**

**SCA 3 (Hill) \*constitutional amendment so needs support of 2/3 of both houses and voter approval\* Property Taxation change in ownership: inheritance exclusion**

Transfer of the principal residence of a parent or grandparent receives the Prop 13 tax benefit **only if the transferee uses the residence as his/her principal residence within 12 months after the transfer.** If the transferee does not use the residence as his/her principal residence, the residence will be assessed at its full cash value as of the date of the transfer.

**SB 4 (McGuire, Beall) Housing **amended****

Would allow for streamlined, ministerial approval process of a “neighborhood multifamily project or eligible TOD project” on an eligible parcel in a jurisdiction that meets conditions related to (not meeting) RHNA targets. Neighborhood multifamily projects are defined in the bill as a multifamily unit of up to 2 residential dwelling units in a nonurban community or up to 4 units in an urban community. These ministerially approved projects would be exempted from CEQA approval process.

**SB 5 (Beall/McGuire) Local-State Sustainable Investment Incentive Program**

A new version of the old redevelopment agencies/tax increment financing called the Local-State Sustainable Investment Incentive Program. Under this program, some property tax revenue would be directed towards local projects that comply with certain state criteria (affordable housing, anti-poverty measures, transportation, etc.), with approval from the state. Cities, counties, and other districts must apply for funding for these projects.

**SB 6 (Beall) Residential development: available land **amended****

This bill would require the Department of Housing and Community Development to furnish the Department of General Services with a list of local lands suitable and available for residential development as identified by a local government as part of the housing element of its general plan. The bill would require the Department of General Services to create a database of that information and information regarding state lands

determined or declared excess and to make this database available and searchable by the public by means of a link on its internet website.

**SB 9 (Beall) Low-income housing tax credits: sale**

Extends a restructuring provision to enable more housing to be built with low-income housing tax credits through the Tax Credit Allocation Committee (TCAC). Specifically, it removes the 2020 expiration date with respect to two provisions related to the allocation and sale of low-income housing tax credits.

**SB 13 (Wieckowski) Accessory Dwelling Units (ADUs) (intent language only)**

Intent language: **reduce impact fees and other existing barriers for homeowners seeking to create accessory dwelling units** for the purpose of creating additional residential housing within their neighborhoods.

**SB 18 (Skinner et al) Keep Californians Housed Act **amended****

Modeled after Keep Oakland Housed, the bill would set aside state funds through Homelessness Prevention and Legal Aid Fund in the State Treasury to provide both direct assistance for households who have fallen behind on their rent, as well as legal assistance for tenants whose landlords may be trying to evict them illegally. Funds would be awarded as competitive grants to cities and counties for uses such as establishing their own tenant legal aid programs.

The bill would also fund the existing California Emergency Solutions and Housing Program, which allocates grants to provide rental assistance and relocation and stabilization services.

This bill would also require the Dept. of Housing and Community Development to survey cities to determine which, if any, provide resources or programs to inform landlords of their legal rights and obligations. It would require the Department to post online a guide to all state laws pertaining to landlords and the landlord-tenant relationship.

Finally, it would delete the repeal date for provisions regarding the noticing period and right to possession until end of the lease term for tenants in a unit where the property is sold in foreclosure.

**SB 48 (Wiener) CA Right to Shelter (intent language only)**

States the intent of the Legislature to enact legislation that creates a right to shelter for unhoused residents throughout the state, which would be required to include the navigation center model.

**SB 50 (Wiener et al) Equitable Communities Initiative (yeah, it's that one from last year)**

SB 827 last year. Requires a city or county to grant, upon request, an equitable communities incentive when a development proponent seeks and agrees to construct a residential development that satisfies specified criteria, including, among other things,

that the residential development is either a job-rich housing project or a transit-rich housing project.

**SB 128 (Beall) Enhanced infrastructure financing districts: bonds: issuance**

Simplifies the process of issuing bonds, with the intent of enabling the creation of more Enhanced Infrastructure Financing Districts (EFIDs). Cities and counties may establish an EFID, with a governing body referred to as a public financing authority, to finance public capital facilities or other specified projects of communitywide significance.

**Existing law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters.** This bill would authorize the public financing authority to issue bonds for these purposes **without submitting a proposal to the voters.**

**SB 196 (Beall) Property taxes: welfare exemption: community land trust.**

Provides Community Land Trusts with a property tax exemption from the point of acquisition of property to the point of sale of affordable homes. Specifically, for lien dates occurring on and after January 1, 2020, this bill would provide that a property is within the “welfare exemption” if that property is owned by a community land trust, as defined, and specified conditions are met, including that the property is being or will be developed or rehabilitated as housing.

**SB 294 (Hill) Property taxation: welfare exemption: low income housing **NEW****

This bill, for claims filed for fiscal years 2020–21 through 2030–31, would decrease the percentage of occupants that are lower income households required to qualify for property tax exemption (in existing law) from 90% to 50%, and require that the total exemption amount be prorated based on the percentage of lower income households that occupy the property. For lien dates occurring on and after January 1, 2020, would also increase the total exemption amount allowed from \$20,000,000 to \$250,000,000 in assessed value (with some limitations).

**SB 330 (Skinner) Housing Crisis Act of 2019 **NEW****

Suspends some local rules and regulations for a 10-year period that may prevent construction of new housing, including: downzoning or otherwise reducing intensity of land use in a zoning district (as compared to the general plan in effect in 2018); instituting a moratorium on new housing; implementing design standards that are more costly than in 2019; establishing a maximum number of discretionary permits issued for housing or otherwise imposing a cap on the number of units or on population growth; imposing any new/increasing/enforcing existing parking requirement; or charging fees in excess of a certain amount.

**Public hearings:** For a 10-year period, this bill would prohibit a city or county from conducting more than 3 de novo public hearings on an application for a variance, conditional use permit or equivalent development permit, modification of a permit, or an

appeal. The city or county would have to either approve or disapprove the permit within 12 months from when the date on which the application is deemed complete.

**Tenant protections:** The bill would also prohibit the approval of new housing (for 10 years) if that project would require the demolition of certain types of existing housing (rent-controlled or Section 8 housing). It also would prohibit the demolition of affordable housing units, unless tenants are offered relocation assistance and the first right of refusal to units in the new housing development at commensurate rents to what the tenants had been paying.

**Streamlining:** For a 10-year period, the bill would require a city or county to make available to the applicant and to the public online a list that specifies the information that will be required from any applicant for a housing development project. It would prohibit the enforcement of new or amended zoning ordinances on a site after the date that a housing development application is deemed complete, as well as any fees in excess of those applied to the development at the time of application. It would also require that a city or county make the determination as to whether a proposed development is on a historic site at the time the application is deemed complete.

**Substandard buildings:** The bill would require the Dept. of Housing and Community Development to develop statewide health and safety building standards and rules for substandard residential buildings (or those being used as such).

**SB 329 (Mitchell) Discrimination: housing: source of income NEW**

In the CA Fair Employment and Housing Act, redefines “source of income” from “verifiable income paid directly to a tenant” to: “verifiable income paid directly to a tenant, or paid to a housing owner or landlord on behalf of a tenant, including federal, state, or local public assistance and housing subsidies including, but not limited to, federal housing assistance vouchers issued under Section 8.”

**SB 384 (Morell) Housing: omnibus NEW**

**Does a lot of things:**

- Extends provisions of the Housing Accountability Act that prohibit a local agency from disapproving, or conditioning approval in a manner that renders a housing development project for very low, low-, or moderate-income households or an emergency shelter infeasible to **also include above moderate-income households.**
- Requires Dept. of Housing and Community Development to survey in 2020 (and every 5 years thereafter) cities and counties to determine the total amount of fees and charges imposed on new home construction by local jurisdictions and report to the Legislature.
- CEQA: Establishes procedures for administrative and judicial review of environmental review process for residential developments of 50 or more units. In the case of an alleged CEQA violation, the court may not stay or enjoin the siting, construction, or operation of a residential development project except under specific circumstances.

**SB 529 (Durazo) Tenant associations: eviction for cause: withholding payment of rent**  
**NEW**

This bill would declare that tenants have the right to form a tenant association, subject to any restrictions as may be imposed by law, or to refuse to join or participate in the activities of a tenant association. The bill would prohibit a landlord from terminating or refusing to renew a residential tenancy in a rental unit occupied by a member of a tenant association subject to these provisions, except for cause. It would authorize members of a tenant association, by a majority vote, to withhold rent payments for up to 30 days in response to grievances or complaints with the landlord.

**SB 621 (Glazer and Caballero) CEQA: affordable housing** **NEW**

This bill would require any action or proceeding brought to attack, review, set aside, void, or annul the certification of an environmental impact report for an affordable housing project or the granting of an approval of an affordable housing project, to require the action or proceeding, including any potential appeals therefrom, to be resolved within 270 days of the filing of the certified record of proceeding with the court. The bill would prohibit a court from staying or enjoining the construction or operation of an affordable housing project unless it makes certain findings.

**In the Assembly**

**ACA 1 \*Constitutional amendment so requires 2/3 majority in both houses and voter approval\* (Aguiar-Curry) Local government financing: affordable housing and public infrastructure: voter approval.**

Reduces the local vote threshold for approval of bond and special tax measures from a **two-thirds vote to a 55 percent majority** (the vote threshold that currently applies to all local school district measures) **so that local governments can fund critical infrastructure projects, including broadband expansion, local roads, and affordable housing projects.**

**AB 10 (Chiu et al) Tax credits for low-income housing**

Increases the state low-income housing tax credit administered by CTAC by \$500 million each year, starting in 2020, and would allocate to farmworker housing projects \$25,000,000 per year of that amount. It would also modify the definition of “applicable percentage” (which determines the amount of the credit), which depends on certain characteristics of the qualified building.

**AB 11 (Chiu et al) Community Redevelopment Law of 2019**

Brings back redevelopment funds/agencies.

**AB 36 (Bloom) Affordable housing: rental prices (intent language only)**

Intent language: to enact legislation **in order to stabilize rental prices and increase the availability of affordable rental housing.**

**AB 53 (Jones-Sawyer) Rental housing discrimination: applications: criminal records.**

This bill would prohibit the owner of a rental housing accommodation from inquiring about, or requiring an applicant for rental housing accommodation to disclose, **a criminal record during the initial application assessment phase.** After the successful completion of the initial application assessment phase, the owner may request a criminal background check of the applicant and consider an applicant's criminal record in deciding whether to rent or lease to the applicant.

**AB 68 (Ting) Accessory Dwelling Units**

This bill would prohibit a local ordinance from imposing requirements on **minimum lot size, lot coverage, or floor area ratio of an ADU**, and from establishing size requirements **for accessory dwelling units that do not permit at least an 800 square feet unit of at least 16 feet in height to be constructed.** It would also require a local agency to ministerially approve or deny an application for a junior accessory dwelling unit within **60 days** of submission of the application, not 120 (the current timeframe). And it would require a local agency that has not adopted an ordinance for the creation of junior accessory dwelling units **to apply the same standards established by this bill for local agencies with ordinances.**

**AB 69 (Ting) ADUs - ordinances**

This bill would authorize the department (HCD) **to submit written findings to a local agency as to whether a local ordinance complies with state law**, and to notify the Attorney General if the ordinance violates state law. The bill would require a local agency to consider the department's findings and would authorize the local agency to amend its ordinance to comply with state law or adopt a resolution with findings explaining why the ordinance complies with state law, and addressing the department's findings. **This bill would also require the department to propose small home building standards governing accessory dwelling units and homes smaller than 800 square feet by January 2021.**

**AB 723 (Wicks) Property taxation: exemption: leased rental housing **NEW****

This bill would extend the welfare exemption to property used for rental housing [and that otherwise meet criteria for property tax exemption] that is rented at "no more than 30% of the income level of persons of low income." The exemption is based on the level of rent, rather than the income of the initial tenants [future tenants must be low-income, however].

**AB 724 (Wicks) Rental data **NEW****

Intent language: to enact legislation that would create a rental registry that would serve as a repository for data collected by cities and counties about their stock of housing and other data on evictions, displacements, and other tenancy information.

**AB 725 (Wicks) Housing element: above moderate income housing NEW**

This bill would prohibit more than 20% of a jurisdiction's share of regional housing need for above moderate-income housing from being allocated to sites with zoning restricted to single-family development.

**AB 847 (Grayson) Transportation finance: priorities: housing NEW**

See AB 1568 (McCarty).

**AB 881 (Bloom) ADUs NEW**

This bill would make changes to existing Planning and Zoning law regarding accessory dwelling units, including requiring ministerial approval for ADUs built within an existing structure. It would delete provision authorizing a local agency to require owner occupancy as a condition of issuing a permit.

**AB 1244 (Fong) CEQA: housing NEW**

This bill would, in an action or proceeding seeking judicial review under the act, prohibit a court from staying or enjoining a housing project for which an environmental impact report has been certified, unless the court makes specified findings. See also SB 384 and SB 621.

**AB 1239 (Cunningham) Local government: housing NEW**

Intent language: to enact legislation that would ensure regional housing needs are being met.

**AB 1255 (Robert Rivas) Surplus public land: database NEW**

See SB 6.

**AB 1279 (Bloom) Planning and zoning: housing development: high-resource areas NEW**

In any area designated as a "high-resource area" by the Dept. of Housing and Community Development, the bill would require that a housing development project be a use by right, if those projects meet the requirements, including affordability requirements. A development is ineligible as a use by right under these provisions if it would require the demolition of rental housing that is currently occupied by tenants, or has been occupied by tenants within the past 10 years, or is located in certain areas.

**AB 1484 (Grayson) Mitigation Fee Act: housing developments NEW**

This bill would prohibit a local agency from imposing a fee on a housing development project, unless the type and amount are specifically identified on the local agency's

internet website at the time the application for the development project is submitted to the local agency.

**AB 1486 (Ting) Local agencies: surplus land NEW**

Regarding the disposal of surplus land process in existing law: this bill would expand the definition of “local agency” (beyond a city, county, or school district) and redefine “surplus land.” It would also require the local agency disposing of surplus land to send a written notice of availability before disposing of the property or engaging in formal or informal negotiations to do so. It would further specify that priority be given to the entity that agrees to provide the highest number of affordable units and at the deepest average level of affordability for the units. (See AB 265 from 2018)

**AB 1568 (McCarty) General plans: housing element: production report: withholding of transportation funds NEW**

For each city and county that has not met its minimum housing goals (as determined by Dept. of Housing and Community Development) for the reporting period, the apportionment of transportation funds that would otherwise be apportioned and distributed to the city or county for the fiscal year will be withheld and deposited in a separate escrow account.

**AB 1483 (Grayson) Housing development project applications: reporting NEW**

This bill would require a city or county to compile a list (and post it online) that provides zoning and planning standards, fees imposed under the Mitigation Fee Act, special taxes, and assessments applicable to housing development projects in the jurisdiction. It would also require the city or county to annually submit information to the Department of Housing and Economic Development (and metropolitan planning organization) on pending housing development projects with completed applications; the number of applications deemed complete; and the number of discretionary permits, building permits, and certificates of occupancy issued. The information would also have to be posted online by January 1, 2021, and each year thereafter.

**AB 1706 (Quirk) Streamlining NEW**

Intent language: to provide streamlined approval, tax incentives, and other benefits to developers of middle-income housing projects that meet specified requirements.

**AB 1734 (Chiu): Property taxation: welfare exemption: rental housing: moderate income housing NEW**

Extends the property tax welfare exemption for qualified properties to those with moderate-income units. See SB 384.