



American Planning Association
California Chapter

Making Great Communities Happen.

April 1, 2016

Assembly Member Richard Bloom
Room 2003
State Capitol
Sacramento, California 95814

SUBJECT: **SUPPORT AND SPONSOR – AB 2522 (BLOOM)**
BY RIGHT APPROVAL OF MULTIFAMILY HOUSING
IN ASSEMBLY HOUSING COMMITTEE
WEDNESDAY, APRIL 13TH

Dear Assembly Member Bloom:

As the sponsor of AB 2522, the American Planning Association, California Chapter (APA California) supports AB 2522. AB 2522 would require by right approval by cities and counties of certain market-rate multi-family rental housing projects that include at least 20% low-income housing or 100% moderate-income housing.

Projects would qualify for the by right approval if they were located on sites already designated by the city or county in the housing element for housing, located in an urbanized area, and consistent with written, adopted General Plan, zoning and design criteria. "By right" approval means that if the housing project meets these criteria, then, by right, the project is required to be approved by the local agency without further discretionary actions. Such by right approval is already required on any housing element site where rezoning was required.

This proposal is designed to get more affordable *and* market-rate housing built by:

1. Providing a market-rate solution for affordable and workforce housing: Consistent with the February 2016 Legislative Analyst Office's (LAO's) study on the State's housing crisis, the bill adds a significant new benefit for market-rate housing developers who voluntarily add affordable and workforce housing to their projects. (Specifics on the LAO study below.)
2. Eliminating the need for additional CEQA review on projects meeting previously approved criteria, substantially streamlining the approval process: Since the bill eliminates discretionary decisions, no CEQA review would be required at the project level, although public review is still required to establish the adopted design guidelines, General Plan, and zoning, and subdivisions remain subject to CEQA. Substantial public review, comment, and CEQA compliance are also required during the

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- housing element review and adoption process.
3. Providing the developer with certainty: Project proponents will know well before submitting a project application what is required to receive the by right approval through written, up-front General Plan, zoning and design criteria.
 4. Respecting local planning for housing: The sites where the housing would be approved by right have already been designated as housing sites in the housing element by the city or county itself, and the project must also comply with written and adopted General Plan, zoning and design criteria developed and approved by the local agency.
 5. Encouraging infill development and housing growth consistent with SB 375: The bill provides the by right approval incentive only on sites in city or county urbanized, not greenfield, areas.
 6. Providing additional affordable housing stock throughout urbanized areas: Such mixed-income projects allow workers to live in a variety of locations closer to their work.
 7. Encouraging public engagement early in the process: By shifting local engagement and participation away from CEQA review at the time of project approval, the public can engage much earlier in the process during approval and adoption of the General Plan, housing element, zoning and design criteria.
 8. Providing a clear and concrete solution that encourages the production of housing rather than additional paperwork: Additional requirements for the housing element have been passed by the Legislature nearly every year for 20 years – these requirements have not prevented a severe housing shortage. Further detailed requirements for housing elements will have minimal positive effects on the amount of housing produced in the state. The emphasis now must be on increasing the **production** of housing at all affordability levels.

According to a February 9, 2016 LAO study, “Perspectives on Helping Low-Income Californians Afford Housing”, the LAO stated, “Encouraging additional private housing construction can help the many low-income Californians who do not receive assistance. **Considerable evidence suggests that construction of market-rate housing reduces housing costs for low-income households, and consequently, helps to mitigate displacement in many cases.**” (See Summary.)

The LAO also found that building new market-rate housing...indirectly increases the supply of housing available to low-income households in multiple ways.” (See page 7.)

The LAO study concludes: “In our view, encouraging more private housing development can provide some relief to low-income households that are unable to secure assistance. ...Doing so will require policy makers to revisit long-standing state policies on local governance and environmental protection, as well as local planning and land use regimes. The changes needed to bring about significant increases in housing construction undoubtedly will be difficult and will take many years to come to fruition. Policy makers should nonetheless consider these efforts worthwhile. In time, such an approach offers the greatest potential benefits to the most Californians. “ (See pages 10 and 11.)

APA California believes that this by right proposal is an important tool for cities and counties to get affordable and market-rate housing built on sites already designated by a city's or county's own housing element and consistent with their own planning, zoning and design standards -- while at the same time providing a fast-track advantage for market-rate developers who elect to build affordable and workforce housing.

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If the state could add 20% affordable housing to every market-rate development, the increase in the affordable housing stock would be increased dramatically. By right approval of mixed-income housing will actually help to get housing built, while retaining important opportunities for the public to participate in planning for housing in their own communities early in the process.

We look forward to working with your office on this issue. If you have any questions, please contact APA California's lobbyist, Sande George with Stefan/George Associates, 916-443-5301 or lauren@stefangeorge.com.

Sincerely,

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cc: Members of the Assembly Housing Committee, Republican Caucus, the Governor, OPR

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