



American Planning Association
California Chapter

Making Great Communities Happen

MEMO TO: MEMBERS OF THE ASSEMBLY LOCAL GOVERNMENT COMMITTEE

FROM: APA CALIFORNIA

DATE: JUNE 25, 2018

SUBJECT: **SB 828 (WIENER) – NOTICE OF OPPOSITION UNLESS AMENDED**
SIGNIFICANT CHANGES TO THE REGIONAL HOUSING NEED
REQUIREMENTS – IN COMMITTEE WEDNESDAY, JUNE 27TH

The American Planning Association, California Chapter (APA California) appreciates the many amendments made to SB 828 in the Senate. Eliminating the requirement that any housing unbuilt in the previous housing element period be added to the new RHNA addressed APA's concern that the RHNA already addresses the total need. This requirement would have double counted those cross-over sites. We remain committed to working with the author on additional changes to the RHNA allocation process as the bill moves forward. However, we must respectfully continue to oppose SB 828 unless amended.

APA supports the provisions in the bill that reform the RHNA allocation process.

However, the RHNA allocation must be fixed first – before making the other types of changes included in the bill.

APA continues to oppose the following provisions remaining in the bill that are unrelated to the reform of the RHNA allocation process:

It is impossible for every city and county to meet its lower-income and moderate-income housing needs as suggested by S. 65584 (a)(2) without significant funding. The bill continues to assign the ENTIRE responsibility to local government to meet all regional housing needs. This is regardless of the subsidies available, state of the economy, CEQA challenges which the state has not addressed, and other conditions, like a shortage of labor, interest rate increases, and state disasters. It is also regardless of the number of RHNA housing units assigned to each individual city or county – they are not equal. Current RHNA allocations vary from as low as 3 units to higher than 40,000 units per jurisdiction. In addition, the intent language in this section requiring the COGs, cities and counties to take “all reasonable actions” to ensure that future housing production meets the RHNA is undefined and appears to invite challenges. This provision isn't clear what it means and who will decide if “all reasonable actions” have or have not been taken to produce the allocated number of RHNA units and assumes that the RHNA is a mandated production goal on local jurisdictions that they can personally control – it is not.

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The requirement in S. 65583.2 that each city and county make 125% of the RHNA sites available, and the amendment in S. 65583 (c)(1) requiring 100% of the need to be met by multifamily development in the jurisdiction's existing urban service boundary will be impossible for local agencies to meet. First, there is no county urban service boundary. Second, the housing need is the housing need - not 125% or the proposed amendment to increase this site requirement to 150%. **Without fixing the RHNA allocation, this one change will mean in one city, they will need to go from 3 sites to 5, and in another, from 40,000 sites to 60,000 sites – punishing those that are producing the most housing.** In addition, AB 1397, signed into law last year as part of the housing package, makes it extremely difficult to utilize non-vacant sites to meet the RHNA – yet those infill sites are exactly where SB 375 encourages housing to be built. AB 1397 specifies that a redeveloped site can only be considered an adequate site if development potential can be proven based on a number of difficult-to-prove factors. Owners can simply say that they have no interest in developing multifamily housing within the planning period – meaning those sites will no longer qualify. Finally, SB 166 signed into law last year requires continual rezoning of sites to ensure sites for all income levels remain available – this will require identification of even more sites.

S. 65584.04 (i)(4) will prohibit the council of governments in determining the final allocation plan from considering prior underproduction of housing from the previous cycle in order to justify a lower allocation for a local government. This will punish cities given the highest allocation, while allowing cities given less than their fair share to continue to underperform.

APA California is willing to work with the author on a more balanced RHNA distribution process, but between last year's SB 166's "no net loss" re-zoning requirements, AB 1397's site restrictions and expected greatly-increased RHNA numbers already contemplated by the Department of Finance in the next planning period, finding enough sites in every jurisdiction will be difficult even without the changes in SB 828.

The lack of housing must be reviewed comprehensively, with a reasonable recognition of what is in cities' and counties' control and what is not, and recognition of how much affordable housing can reasonably be created without major new subsidies. If the Legislature truly believes that all low- and moderate-income housing included in the RHNA must be constructed, it should calculate the total subsidy required to accomplish that, and then determine if there are even possibly adequate funds at all levels of government to accomplish those goals.

If you have any questions, please contact our lobbyist, Sande George, with Stefan/George Associates, sgeorge@stefangeorge.com, 916-443-5301.

Sincerely,

John C. Terell

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cc: Governor's Office
Assembly Local Government Committee
OPR
Republican Caucus

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