



APA CALIFORNIA LEGISLATIVE UPDATE MARCH 2019

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2019 Session Begins

The 2019 legislative session began on January 7th and bills introduced for the session are now in print. It is no surprise that once again there are a large number of planning related bills. In fact, APA California's current list of bills to track is over 350 bills as of March 1st! Of those, there are a number that are spot bills that will be amended in the next few months, so the priority hot bill list will undoubtedly grow even longer soon. APA California lobbying staff and the Vice President for Policy and Legislation will review and prioritize the top bills to be reviewed at the upcoming Legislative Review Team meeting. That meeting will be held in person with locations in Sacramento and LA and on March 8th. After that meeting, positions on all hot bills will be updated and can be viewed on the APA California website. 2019 will again be another busy year for APA California, especially related to housing. Housing will also be a big priority in Governor Newsom's first budget proposal.

APA California Legislative Review Team Agenda and Hot Bill List

The Legislative Review Team meets in person (and on the phone) every March to review all planning related hot bills introduced by the February deadline. This year's meeting agenda can be found [here](#). There are currently 88 bills on this list, which includes the biggest priority bills identified so far. After feedback has been received and positions have been designated for these bills, APA California will then set positions for the bills, start reaching out to the authors and begin lobbying the bills.

To view the full list of hot planning bills, copies of the measures, up-to-the minute status and APA California letters and positions, please continue to visit the legislative page on APA California's website at www.apacalifornia.org.

How You Can Get Involved in Shaping APA California's Legislative Positions

We encourage you to participate in APA California's Legislative Review Team, whose members advise APA California on legislative positions, potential amendments and key planning policies. Information on the Review Team and sign up information are located on the APA California website legislation page. To find APA's positions on all of the major planning-related bills, and to review APA's letters on those bills, please go to the legislative tab on APA's website at www.apacalifornia.com. All position letters are posted on the APA California website "Legislation" page, which can be found here: <https://www.apacalifornia.org/legislation/legislative-review-teams/position-letters/>.

2019-2020 Budget

Governor Newsom introduced his 2019-20 "California for All" budget proposal to the Legislature on January 10th. Over 86 percent of the new spending contained in the Budget is one-time and proposes new spending on housing of \$2.3 billion. As stated in the Governor's budget:

- \$1.3 billion for cities and counties in financial incentives to permit and plan for new homes and support local homeless housing efforts.

- Remaining \$1 billion split between loans for developers who build homes for moderate-income families and tax credits to subsidize low- and moderate-income housing construction.
- Asks tech leaders to contribute an additional \$500 million to support his housing proposals.
- Calls for 3.5 million new homes to be built over seven years.

Housing Specific: Two RHNA'S

- The Budget includes \$750 million General Fund one-time to partner with and incentivize local governments to jump-start housing production through technical assistance and general purpose funding.
- HCD will establish higher short-term statewide goals for new housing production across all income levels and will allocate these goals to local jurisdictions.
- HCD will review local progress and certify that certain milestones have been reached.
- Local governments will receive grants (\$250 million of the \$750 million) to support technical assistance and staffing to develop plans to reach these higher goals.
- This includes, but is not limited to: rezoning for greater density, completing environmental clearance, permitting units, and revamping local processes to speed up production.
- Long-term housing production targets will be more ambitious than the short-term housing goals mentioned above.
- As HCD develops these targets, local jurisdictions will have lead time to begin reformulating their housing plans, using the grants above to leverage other sources of funding, such as their general funds and private dollars, to meet their targets.
- **Going forward, the state will strongly encourage jurisdictions to contribute to their fair share of the state's housing supply by linking housing production to certain transportation funds (SB 1) and other applicable sources, if any.**

(Unfortunately, this proposal continues to hold cities and counties accountable for building rather than entitling housing projects, and the amount of money for affordable housing falls well short of the need, making these goals as outlined virtually impossible for jurisdictions to ever meet.)

Housing Element Enforcement

- Under AB 72 and AB 686 from 2017, HCD will be taking a more active role in housing element reviews.
- Moving from an advisory role, HCD will now oversee and enforce regional housing goals and production.
- HCD will determine a methodology for allocating housing needs to regions and local jurisdictions.

(The Governor has already begun asking the Attorney General to take action against cities and counties that do not currently have a certified housing element.)

Housing Specific: Demonstration Projects

- The Budget proposes soliciting affordable housing developers to build demonstration projects that use creative and streamlined approaches to building affordable and mixed-income housing (for example, using modular construction).
- Affordable housing developers selected through a competitive process will receive low-cost, long-term ground leases of excess state property.
- The state will confer with local governments in certain cases to discuss a land exchange when such an exchange could lead to more housing being built within the jurisdiction.

Homelessness/CEQA Streamlining:

- Jurisdictions that establish joint regional plans to address homelessness will be eligible for funding. The Business, Consumer Services and Housing Agency will distribute funds through federally designated areas (\$200 million) and the eleven most populous cities in the state (\$100 million).
- Jurisdictions that show progress toward developing housing and shelters, including permitting new supportive housing units or constructing emergency shelters and navigation centers, will be eligible to receive additional funds for general purposes.
- The Administration will propose legislation to accelerate the construction of homeless shelters, navigation centers and new supportive housing units by allowing for a streamlined CEQA process with accelerated judicial review of challenges to an Environmental Impact Report.

(This is similar to the process outlined in (AB 900 2011) and recent bills providing streamlined environmental reviews for sports stadiums.)

Grants for Sustainable Agricultural Lands Conservation Programs Now Available

Sustainable Agricultural Lands Conservation Planning grants provide funds to develop and implement plans for the protection of agricultural land at risk of conversion to non-agricultural uses. This component of the program incentivizes local and regional governments to work closely with local stakeholders to develop local and regional land use policies and implementation activities that integrate agricultural land conservation in a way that reduces or avoids greenhouse gas emissions, supports job creation, and benefits AB 1550 populations.

Costs that May Be Reimbursed and Match Funding

Planning grants will reimburse grantees and participating stakeholders for all direct costs, including fully-burdened staff costs, incurred during the grant performance period and related to the project. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the performance period, indirect/overhead costs, travel, food or beverages, and costs for CEQA document preparation are not eligible for reimbursement.

The application must include a minimum of ten percent (10%) match funding. At least five percent (5%) of the requested grant amount must be a cash match; the balance may be in-kind. Match funds may be provided directly by the applicant or from other funding sources (e.g., other grant funds, local government contributions, or donations).

Projects

Planning grants are intended to assist communities in developing consensus-based plans that support policies and projects that maintain the economic viability of the community's agricultural industry, protect the agricultural land base, and avoids greenhouse gas emissions. Applicants may propose innovative projects that establish a comprehensive set of goals, policies, and objectives to support the long-term viability and protection of agricultural land; identify and designate priority land for conservation; and/or identify and designate a set of feasible implementation measures designed to promote those goals, policies and objectives.

For more information, please visit: <https://www.conservation.ca.gov/dlrp/grant-programs/SALCP/Pages/Application%20Information.aspx>.