April 6, 2019

The Honorable Assembly Member Tim Grayson
Room 4164
State Capitol
Sacramento, California 95814

SUBJECT: **AB 1483 (Grayson) – Notice of Support if Amended**
Additions to the Annual Housing Element Report
In Assembly Housing Committee Wednesday, April 10th

Dear Assembly Member Grayson:

The American Planning Association, California Chapter has taken a support if amended position on AB 1483. This measure would make a number of changes to the data collected for the Housing Element Annual Report from cities and counties. APA appreciates meeting with your staff and the sponsors to discuss our suggested concerns.

APA agrees with the overall goal of this bill to provide more meaningful reporting information from cities and counties about their housing project applications and how those applications fare as they move through the local process and on to construction – or do not move on to construction. The bill’s focus on technical assistance in providing the annual report information for those jurisdictions that need it is also welcome, and we have no objection to allowing the COGs to request additional information with the very collaborative process outlined in the bill. However, as recently amended the bill includes too much aggregation, overly-broad terms, and substantial amounts of information that are not a good fit for the quick itemized approach in HCD’s just revised annual report format.

Done well, good data can help answer questions about the nature of housing underproduction at a statewide, regional and local scale. Are cities and counties receiving enough housing development applications? Are those applications processed timely? Are the applications getting approved, denied or modified to reduce housing units? What proportion of new housing development applications are discretionary vs ministerial? Are the units getting built once the entitlements are approved? There have been extensive anecdotal and “gut” responses to these questions, which tend to get generalized and used to formulate legislative proposals, but the state doesn’t have data that can help identify the most effective levers for increasing production.
The questions are, what information should be included in statute, what information is readily available at the local level and at what cost, are there requirements in the annual report now that don’t advance the state’s goals and is the annual report the right location for this information?

For instance, the annual report information on the new HCD Housing Element Annual Progress Report New Form, already includes affordability data, units required compared to units approved, the number of completed entitled projects and the number of units issued in the entitlements, the dates the building permits are issued, certificates of occupancy issued or other forms of readiness, infill units, rezoned sites to meet RHNA, minimum/maximum density allowed, realistic capacity of sites, and programs to meet governmental constraints. Since much of this data is new, assessing this new data in the next annual report before adding more data would make sense.

Most cities and counties use one of a handful of automated permit tracking systems to help manage their internal processes -- there’s a lot of knowledge out there about how to do this. APA recommends that a better approach would be to define what the state would like to know from this reporting at a relatively high level and have the Legislature direct HCD to work with stakeholders to develop regulations that would define what needs to be included in the reporting rather than try to detail all of that in the statute. This is consistent with S. 50452 (a) (6) in the bill that would require a 10-year housing data strategy that defines suitable data to inform state housing policymaking to support housing sufficient to meet the housing needs of the state.

A new section in the bill would require cities and counties to compile a list that provides zoning and planning standards, fees imposed under the Mitigation Fee Act, special taxes, and assessments applicable to housing development projects in their jurisdiction and provide those lists to both HCD and the COG annually. The zoning and planning standards alone would result in an enormous amount of information that would not necessarily be applicable to every project, and many of the special taxes and assessments are not within the planning department’s jurisdiction. APA believes that the existing annual report requirement to list programs to meet governmental constraints is a more targeted request. Additionally, your approach in AB 1484 related to fees, which would provide a housing applicant at the time an application is deemed complete with a good faith statement disclosing the amount of impact and development fees applicable to the housing units in a specific project, in addition to posting the list of fees on the city/county website, is a better approach. We would ask that the standards, fee, tax and assessment language be removed from this annual reporting process.

APA would like to continue to work with you and your staff on this measure as it moves. We look forward to that discussion.

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

Sincerely,

Eric S. Phillips
Vice President, Policy and Legislation - APA California

cc: Governor’s Office, Assembly Housing Committee
OPR, Republican Caucus