

American Planning Association California Chapter

Making Great Communities Happen

SUBJECT:	SB 330 (Skinner) – Neutral if Amended Housing Crisis Act of 2019 In Assembly Housing Committee Wednesday, June 19th
DATE:	JUNE 12, 2019
FROM:	THE AMERICAN PLANING ASSOCIATION, CALIFORNIA CHAPTER
MEMO TO:	MEMBERS OF THE ASSEMBLY HOUSING COMMITTEE

The American Planning Association, California Chapter has reviewed proposed amendments to SB 330 and is moving its position from oppose unless amended to neutral if amended. SB 330 would freeze or prohibit a number of local housing-related requirements for 5 years with the goal of speeding up housing production in areas with the most severe housing shortages.

APA has been working with the author's staff and the sponsors on a number of amendments that have now been incorporated or will be incorporated into the bill and appreciate the time spent working with us. With those amendments, APA supports several key provisions of the bill: the suspension of local limits on the number of land use approvals or permits; the limits on imposing a moratorium on housing development without a health or safety finding; restrictions on requirements for local voter approval before key housing decisions are made; clarifications in the Permit Streamlining Act regarding the review of development applications for completeness; and, the addition of a jurisdiction-wide no-net loss of residential capacity process as an alternative to a complete ban on changes to a less intensive use.

SB 330 also introduces a new preliminary application process, which grants specified vested rights to applicants to freeze development standards and fees at the time a preliminary application is submitted. APA has also removed its opposition to this process based on anticipated amendments to the timeline that will create an obligation of the applicant to pursue a complete application in a reasonable timeframe in order to retain their vested rights. Although APA would prefer to use the existing Permit Streamlining Act as the vesting trigger rather than this new two-step process, these amendments are intended to ensure this new two-step application approval process creates incentives for the applicant to complete the development processes in a timely manner in order to receive the vesting benefits of the bill.

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1

The author has also accepted many other amendments suggested by APA and others. With these changes, APA has now moved to neutral if amended. APA continues to have concerns with several substantive provisions remaining in the bill however, and commits to continue to work with the author on these issues with the goal of moving to a support position:

- 1. Use the existing PSA provisions to identify a date to freeze standards rather than impose a new preliminary permit layer into the existing permit process. As stated, although APA appreciates the amendments to the timelines discussed above related to the new preliminary application process, APA believes that it would streamline the process in SB 330 if instead the SB 330 "fixes" were connected to the existing PSA process rather than instituting a brand-new two-step permitting process. A possible alternative would be to eliminate the new preliminary application, and instead allow the new vesting benefits to begin as of the date an application is submitted under the Permit Streamlining Act using local application requirements:
- if the local agency determines that application is complete or the application is deemed complete under the Permit Streamlining Act or,
- if the agency determines the application is incomplete, if the developer provides all additional material requested in writing consistent with the Permit Streamlining Act within 90 days.
 In addition, these provisions should only apply to the affected jurisdictions as part of the Housing Crisis Act, rather than to have them apply everywhere in California under general amendments to the Housing Accountability Act.
- <u>Clarify the vesting process for phased projects.</u> Phased projects should not automatically receive vesting based on standards in place when the first phase submits a preliminary application. It could be many years before the final phase of a large project is permitted, and a statutory development agreement continues to be the best vehicle for addressing large multi-phase development projects.
- 3. Definitions of "affected cities and affected counties" should be calculated on independently verifiable data using indicators that will result in only targeted jurisdictions being subject to the bill. SB 330 would include cities and counties within its provisions based on the average rate of rent above the national median rent in 2017 and whether the vacancy rate is less than the national vacancy rate. It isn't clear that these two criteria will be an indicator of the jurisdictions hardest hit by the housing crisis, or of cities and counties that have low housing production numbers. The indicators could instead include a population threshold, permits entitled, rental rates or some other combination that is available and a true indicator of the communities targeted by the author.
- 4. <u>Exempt all unincorporated areas except urban counties</u>. The findings in the bill and its provisions do not fit the housing issues being experienced in non-urban counties, and creating additional procedural requirements for these jurisdictions would not result in housing to address the state's needs.
- 5. Ensure the parking incentives in the bill do not diminish the use of the Density Bonus law and the affordability requirements currently attached to the parking benefits provided under Density Bonus law. By granting parking benefits in the bill to projects separate from the Density Bonus affordability requirements, the bill could unintentionally undermine the affordability goals of the Density Bonus law.
- 6. Amend the affordability requirements and anti-demolition language to align with the housing

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2

<u>advocates' suggested changes.</u> APA suggested a requirement, as a condition of the development of residential units under this bill, that the development include a certain percentage of residential units affordable to and occupied by, households with incomes that do not exceed the limits for moderate-income, lower-income, very-low -income or extremely-low-income. However, APA defers to the housing advocates for their suggestions on these issues and the anti-demolition provisions that should be included in the bill.

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

Sincerely,

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

cc: Republican Caucus Governor's Office OPR

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