

## APA California 2023 Legislative Session Update





American Planning Association California Chapter

# Panelists







Erik de Kok, AICP Director of Interdisciplinary Planning, Ascent APA California Vice President of Policy and Legislation

### Tom Pace

Director of Community Development, City of Sacramento APA California Policy and Legislation Technical Advisor

Lauren De Valencia Stefan/George Associates APA California Lobbyist

## APA California Legislative Program Updates

# 2023-2024 APA California Platform



### PLAN CALIFORNIA 2023-2024 Legislative Platform for APA California

Professional planners have a responsibility to comprehensively implement practical solutions to pressing issues that balance the needs of California's diverse population, environments and economies. Planners focus on a broad range of topics and issues such as land use, housing, transportation, infrastructure, environmental and human health, social equity, and economic vitality. Our pivotal role in the decision-making process at the local, regional, and state levels provides unique insight to help shape the policy landscape and ongoing debate on planning-related issues. This effort requires planners in California to monitor shifts in statewide policy and identify planning solutions in the context of local, state, and national trends.

- Housing
- Equity, Inclusion, and Social Justice
- Climate Resilience and Hazard Mitigation
- Infrastructure, Services, and Fees
- California Environmental Quality Act (CEQA)
- Neighborhood Vitality and Healthy

### Communities

Coordinated Planning

# APA California Legislative Program

Internal Bill Review Legislative Review Team Legislative Positions Letters <u>Technical Feedback</u>

Meetings/Advocacy Public Testimony

Partnerships with Other Organizations eNews, Social Media, and Webinars Resources Online to Get Involved



## **Advocacy**

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### **Legislative Platform**

To address the priority issues facing California and to set the standard for our profession, APA California adopts a Legislative Platform prior to the start of each California two-year legislative session titled "Plan California". The...

### Legislative Review Team

APA California's Legislative Review Team is composed of volunteer APA California members including public and private sector planners with a wide range of experience, and students. The team includes members from all eight of the...

### **Bills & Position Letters**

2023 Full Bill List APA California Bills (September) 2023 Position Letters Assembly Bills Senate Bills

#### Resources

Legislative Update Archive

Legislative Review Team

National Legislative Program

Amicus Committee

**Bill Search** 

# **Big Picture**

What's Influencing the Legislature in 2023 Housing/Homelessness

Accountability and Implementation

Climate and Infrastructure

So Many New Members!!

Budget Deficit Impacts

# 2023-2024 State Budget

\$310 billion spending plan addresses core priorities and covers a **\$30 billionplus deficit,** without touching key reserves. To do this, the budget:

- Delays and reduces some spending to future budget years
- Shifts appropriations to other sources
- While housing, homelessness and climate remain priorities, impacts to funding various programs for these priorities are impacted, especially climate public transit
- Looking to Federal funding from the Inflation Reduction Act and the Infrastructure Investment and Jobs Act
- Potential climate bond for discussion in 2024

### **\*\*New funding for:**

- Comprehensive update of OPR's General Plan Guidelines as a result of several newly enacted laws and to align with California's housing, equity and climate priorities
- Fifth round of \$1 billion in Homeless Housing, Assistance and Prevention (HHAP) grants eligibility criteria to be based on compliance with housing laws

# OPR's General Plan Guidelines Update Request for Information

- OPR is planning to hire consultants to update the General Plan Guidelines in the timeframe of 2023-2026
- OPR's RFI seeks input on ways to update the existing General Plan Guidelines and to define the scope of work for the consultant team.
- Goals for the update include to edit the Guidelines to reflect changes or amendments to applicable laws since 2017; to update data, tools, and maps associated with the Guidelines; to align the Guidelines with plans or programs from other California state agencies published in or after 2017; to make the document more interactive and user-friendly; to embed equity, climate resilience, and climate adaptation in all elements of the Guidelines; and to provide advice on aligning strategies and metrics in the implementation sections of general plans with State equity, housing, and climate priorities.

To respond to OPR's Request for Information, visit <u>https://opr.ca.gov/news/2023/09-26.html</u>

### Comments due October 20!

Governor's Infrastructure Streamlining Package **Provides streamlining opportunities for clean infrastructure/energy projects throughout the state** – energy, semiconductor, transportation, water

**Executive Order** creates *Infrastructure Strike Team* to work with agencies to facilitate planning and development of projects

Package of bills:

- Streamline permitting and procurement processes
- Expedite CEQA judicial review "to the extent feasible"
- Address CEQA procedures related to process and document retention
  - Extends the date for Environmental Leadership Project certification January 1, 2032.
  - Shortens the admin record by removing internal communications on non-substantive materials
  - Allows agency to deny a request by a petitioner or plaintiff to prepare record of proceedings

### Bills signed by the Governor:

- SB 145 Environmental Mitigation
- SB 146 Infrastructure Contracting
- SB 147 Fully Protected Species
- SB 149 CEQA Expedited Judicial Review/Administrative Record Reform
- SB 150 Workforce development Public Contracts

# 2023 Legislation

# Keep in Mind...

### **Two-Year Sessions**

The California Legislature convenes in two-year sessions – 2023 is the first of 2023-2024 Session

### **Two-Year Bills**

Bills introduced in the first year of Session can be carried over to the second year of the Session \*usually\*

### **Bills Held Under Submission**

Bills are held in the Appropriations Committees and cannot move in second year

### 2023 Legislative Session ended September 14 and the Governor just completed acting on all bills that pass the Legislature All statutes take effect 1/1/2024 unless otherwise noted

\*\*Can't cover it all today!

# Housing and Homelessness

### Two-Year Bills

AB 68 (Ward) Creates new streamlining options for housing/"climate-smart" areas and restricts density increases and other development restrictions in "climate risk" areas.

AB 1532 (Haney) Provides streamlining for office conversion projects

AB 1630 (Garcia) Prohibits denials for student housing within ½ mile of university campus for zoning purposes

SB 7 (Blakespear) Creates the Homeless Housing Obligation Act and Fund

SB 294 (Wiener) Expands restrictions on floor area ratio standards

SB 450 (Atkins) SB 9 clean up

**SB 576 (Nguyen)** Requires land use element update to prohibit high-density housing within a 5-mile radius of a military installation or other site deemed sensitive to national security

### Held Under Submission

AB 770 (Kalra) Removed cap for residents in residential care facilities

**SB 405 (Cortese)** Required new mandatory noticing of property owners of proposed inventory sites listed in the Housing Element for the seventh cycle

SB 634 (Becker) Provided streamlining for "opportunity" housing projects

# Housing and Homelessness

### Signed by the Governor

**SB 555 (Wahab)** Requires HCD to develop and submit a study to the Legislature, on recommendations to creating enough affordable and social housing to meet RHNA

**AB 835 (Lee)** Requires the California State Fire Marshal to research standards for single-exit, single stairway apartment houses in buildings above three stories

**AB 1633 (Ting)** Provides that a disapproval under the Housing Accountability Act includes a local agency's failure to make a determination of whether a project is exempt from CEQA, abuse of discretion, or failure to adopt certain environmental documents under specified circumstances in urban areas until Jan 1, 2031

**AB 1490 (Lee)** Provides streamlining for an affordable housing project that adaptively reuses an existing building with residential units or allows temporary dwellings or occupancy

**SB 4 (Wiener)** Provides streamlining for affordable housing projects on educational and religious institution owned lands

## Housing and Homelessness

### Vetoed by the Governor

**AB 309 (Lee)** Would have created the Social Housing Program within DGS to identify and develop up to three social housing projects on state-owned surplus land

### From the Governor's veto message:

"This bill **infringes on state sovereignty** over state-owned real property by establishing a new process for local government review of state projects authorized under the bill and could potentially cost the state several hundred million dollars in capital expenditures."

"State-owned sites identified as suitable for housing development already are being developed as affordable housing through the State Excess Sites program."

"While I appreciate the author's commitment to build more affordable housing in the state, this bill creates **new additional cost pressures** and must be considered in the annual budget in the context of all state funding priorities."

## Housing Law Enforcement

### Signed by the Governor

**AB 434 (Grayson)** Adds specified housing laws to the list that the HCD is required to enforce if HCD finds that a local government has taken an action in violation of the law regarding the following:

- ADUs and JADUs
- SB 6 (Caballero, Chapter 659, Statutes of 2022)
- SB 9 (Atkins, Chapter 162, Statutes of 2021)
- AB 1218 (Lowenthal, 2023)
- SB 4 (Wiener, 2023)
- SB 684 (Caballero, 2023)

Shortens, from 90 days to 60 days, the time-period that HCD must review adopted housing elements or amendments

**AB 1485 (Haney)** Grants HCD and the Attorney General the unconditional right to intervene in any suit brought to enforce specified housing laws

# Funding for Housing and Homelessness

### Two-Year Bills

**AB 1657 (Wicks)** Enacts the Affordable Housing Bond Act of 2024, which upon approval by voters, authorizes bonds to finance affordable housing

**SB 225 (Caballero)** Establishes program to fund the acquisition and rehabilitation of unrestricted housing units for affordable housing

### Heading to the Voters (all subject to voter approval)

### March 2024

**AB 531 (Irwin)** Enacts the Behavioral Health Infrastructure Bond Act - \$6.38 billion bond for funding community-based treatment and residential care, permanent supportive housing for veterans and others experiencing homelessness, at risk of homelessness, and living with a behavioral health challenge – streamlining for these projects **Signed by the Governor** 

**SB 326 (Eggman)** Recasts the Mental Health Services Act as Behavioral Health Services Act and modifies spending priorities under the Act, including requiring 30% of funds to be spent on housing and makes several other changes to local prevention-based programs Signed by the Governor

### November 2024

ACA 1 (Aguiar-Curry) Allows a city, county, or special district, with 55% voter approval, to incur bonded indebtedness or impose specified special taxes to fund projects for affordable housing, permanent supportive housing, or public infrastructure, as specified.

ACA 13 (Ward) Requires an initiative constitutional amendment to comply with any increased voter approval threshold that it seeks to impose on future ballot measures

# AB 821 (Grayson) Zoning Consistency

- Applies to all development projects, including commercial, not already covered by the Housing Accountability Act
- Allows resident or property owner to sue to enforce zoning consistency with the general plan within 90 days upon
  - The enactment of any new zoning ordinance.
  - The amendment of any existing zoning ordinance.
  - The failure of a local agency to comply with this section.
- When a general plan is amended but zoning is inconsistent and a development application is filed, agency
  must amend inconsistent zoning specific to the development project within 180 days of application
  filing or process the application.
- GP-consistent development does not have to be rezoned or be consistent with inconsistent zoning.

# SB 423 (Wiener) SB 35 Extension and Clean up

- Extends SB 35's sunset from 2026 to 2036.
- Applies SB 35 in jurisdictions without a compliant Housing Element
- Allows DGS to ministerially approve housing development on state property
- Extends SB 35's provisions to the Coastal Zone on 1/1/25 and ministerial approval of a coastal development permit, if consistent with local coastal plan/land use plan – excludes enviro sensitive areas
- Alters provisions relating to Fire Hazard Severity Zones
- Creates a new pre-application public comment meeting process
- Removes public oversight meeting requirement and allows staff approval, but allows design review board or commission meeting
- Carves out exception for equine sites between 1/1/25 and 7/1/25
- Amends labor standards projects above 85 ft in height full skilled and trained unless failure to receive three bids to satisfy requirement; all other projects require AB 2011 labor standards

# SB 684 (Caballero) Small Lot Subdivisions

- Applies to projects of 10 or fewer units on urban multifamily lots under 5 acres and not located in environmentally sensitive or hazard areas
- Creates ministerial subdivision process for up to 10 units on not more than 10 lots, sets minimum lot size of 600 square feet; no minimum lot width or depth regs
- Ministerial approval of the units to be built on the small lot subdivision
- Allows building permit issuance prior to recording parcel or final map
- Can't physically preclude projects meeting Mullin densities
- Limits setbacks, parking and FAR restrictions
- Requires decision in 60 days or deemed approved
- Another equine provision: SB 9 doesn't apply in "horsekeeping zone"
- Adoption of implementing ordinance is exempt from CEQA
- Most provisions effective 7/1/24

# ADU Bills

- AB 671 (Ward) Explicitly authorizes a community land trust to use CalHome Program funds to purchase property, construct ADUs or JADUs on that property, and separately lease or convey those units
- **AB 932 (Ting)** Requires the California Housing Finance Agency to report on the Accessory Dwelling Unit Program to the Legislature
- **AB 976 (Ting)** Makes permanent the existing prohibition on local government's ability to require owneroccupancy on an ADU
- AB 1033 (Ting) Authorizes local agencies to allow ADUs to be sold separately or conveyed from the primary residence as condominiums
- AB 1332 (Carrillo) Requires local agencies to develop a program for the preapproval of accessory dwelling unit plans

# Density Bonus Bills

- AB 323 (Holden) Limits the ability of developers to sell deed-restricted units intended for owneroccupancy to purchasers that would rent the unit unless there are no qualified owner-occupant buyers
- AB 1287 (Alvarez) Expands DB for moderate income if a developer includes the maximum amount of lower, very low and moderate-income units
  - Clarifies that base density for a development requesting a density bonus is the greatest allowable density in the zoning ordinance, specific plan, or the land use element of the general plan
- SB 713 (Padilla) Clarifies that "development standards" means those standards adopted by the local government or enacted by the local government's electorate exercising its local initiative or referendum power, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the local government

## Equity, Inclusion and Social Justice

### **Two-Year Bills**

**AB 833 (Rendon)** Requires the Department of Transportation to submit to the Legislature by 2030 a plan for adding caps to freeway segments that divide disadvantaged, underrepresented, and urban communities

ACA 10 (Haney) Establishes that the state recognizes the fundamental human right to adequate housing for everyone in California on a non-discriminatory and equitable basis

ACR 38 (Alvarez) Declares that the Legislature should utilize federal resources, in partnership with state agencies and local entities, to reconnect communities with, among other things, freeway lids

## Equity, Inclusion and Social Justice

### Vetoed by the Governor

**SB 18 (McGuire)** Would have created a new Tribal Housing Grant Program in HCD for the construction and rehabilitation of rental and for-sale housing specific to tribal needs, subject to an appropriation

### From the Governor's veto message:

"I signed legislation in 2019 to make tribes eligible for most State housing programs, and I remain committed to doing more. **My Administration has provided tribal set asides in a variety of new programs we created**..."

"I am committed to addressing these important issues in next year's budget and look forward to working with the Legislature and our tribal partners to help deliver these critical dollars to tribal communities where - and how - they are needed." Climate and Hazard Mitigation

### Two-Year Bills

**SB 571 (Allen)** Requires a development that would require the evacuation of 40 or more vehicles at any given time to include an evacuation plan when submitting an application if the development is in a high fire risk area

**SB 610 (Wiener)** Creates new standards for determining fire hazard areas within a jurisdiction that are different than the determination of the State Fire Marshall

\*Climate bond for November 2024 Ballot in the works\*

### Held Under Submission

AB 45 (Boerner) Allows the California Coastal Commission to authorize blue carbon demonstration projects

**SB 511 (Blakespear)** Requires CARB to develop and publish GHG emissions inventories for every jurisdiction, upon request

**SB 670 (Allen)** Requires CARB to develop maps of average light-duty VMT at the local, regional, and statewide levels, and provides direction to how those maps should be reconciled with existing ones

Climate and Hazard Mitigation

### Signed by the Governor

SB 272 (Laird) Creates new sea level rise planning requirements. Specifically:

- •Applies to a local government lying, in whole or in part, within the coastal zone or within San Francisco Bay
- •Requires those local agencies to adopt a sea level rise plan into local coastal program; or a subregional San Francisco Bay shoreline resiliency plan that is subject to approval by the San Francisco Bay Conservation and Development Commission
- •Timing: on or before January 1, 2034
- •Funding prioritization for projects consistent with SLR plans
- •State agencies must provide guidance by Dec 2024

Governor Newsom Signs Executive Order to Strengthen Property Insurance Market

Executive Order requests that the Commissioner of Insurance take swift regulatory action to strengthen and stabilize California's marketplace, with the following goals:

**EXPAND CHOICES, STABILIZE MARKET** Expand coverage choices for consumers, particularly in underserved areas of the state. Maintain the long-term availability of homeowners and commercial property insurance coverage.

<u>BETTER RATE APPROVAL PROCESS</u> Improve the efficiency, speed, and transparency of the rate approval process. Tailor the rate approval process to account for all factors necessary to promote a robust, competitive insurance marketplace.

**STRONGER FAIR PLAN** Maintain the solvency of the FAIR Plan to protect its policyholders and promote long-term resiliency in the face of climate change, including by identifying mechanisms to reduce its share of the overall market in underserved areas and move its customers into the admitted insurance market.

<u>ACCELERATE IMPLEMENTATION</u> Direct the Department of Finance to consult with the California Department of Insurance to support the rulemaking process and help accelerate implementation of potential regulations.

A copy of the executive order can be found here: <u>https://www.gov.ca.gov/wp-content/uploads/2023/09/9.21.23-Homeowners-Insurance-EO.pdf</u>

### California Insurance Commissioner Ricardo Lara's rulemaking in process

## Infrastructure, Services, and Fees

### Two-Year Bills

AB 901 (Ting) Creates Affordable Housing Financing Districts
AB 930 (Friedman) Authorizes new "Reinvestment in Infrastructure for a Sustainable and Equitable California" districts to create tax-increment financing for funding infrastructure and development near transit
AB 1476 (Alvarez) Creates the Community Redevelopment Law of 2023

### Held Under Submission

AB 1504 (McCarty) Requires local agencies to complete a plan for the installation of electric vehicle charging stations in the public right-of-way SB 83 (Wiener) Set timelines for Investor-Owned Utilities to connect projects to the electrical grid

## Infrastructure, Services, and Fees

### Signed by the Governor

AB 516 (Ramos) Imposes additional reporting and disclosure requirements on local agencies relative to Mitigation Fee Act

**AB 965 (J. Carrillo)** Requires batch permit processing for 2 or more broadband projects. Specifically:

- Allows agency to set reasonable limits on number of permits that can be batched
- Does not preclude a local agency from requiring compliance with any requirements relating to the design, construction, or location of broadband projects that the local agency is otherwise authorized to impose or enforce under applicable law, including, without limitation, any generally applicable health and safety requirements

**AB 1317 (W. Carrillo)** Requires property owners of new multi-family residential properties to **unbundle the cost of parking** from the cost of the housing unit.

- Applies to properties consisting of 16 or more residential units, and only to units that are issued a certificate of occupancy on or after January 1, 2025
- "Pilot program" applies in 10 specific counties: Alameda, Fresno, Los Angeles, Riverside, Sacramento, San Bernardino, San Joaquin, Santa Clara, Shasta, or Ventura.
- Exempts certain properties from these provisions, including residential properties with individual garages that are functionally a part of the property and 100% deed-restricted affordable housing
- Other clarifying provisions to protect both tenant and landlords in specified circumstances

AB 1308 (Quirk-Silva) Prohibits parking requirements for single-family remodels, renovations, or additions

# AB 894 (Friedman) Shared Parking

- **Requires a local agency to allow sharing of underutilized parking** with the public, local agencies, or other entities, if those entities submit a shared parking agreement to the public agency.
- Local agencies must allow parking spaces identified in a shared parking agreement to count toward meeting automobile parking requirements for a new or existing development or use.
- If a shared parking agreement is used, a local agency must approve it if: (a) includes a parking analysis using peerreviewed methodologies and (b) secures long-term provision of parking spaces or affords the opportunity for periodic review and approval by the public agency.
- Local agencies may not require parties to enter into a shared parking agreement.
- For projects with 10 units or larger, or 18,000 square feet or more, noticing required, and public meeting required if requested.
- Does not apply to local agencies that enact an ordinance that provides for shared parking agreements, including ordinances enacted before January 1, 2024.
- Other provisions and exceptions may also apply (see full bill text for details)

# AB 1176 (Zbur): Local Electrification Planning Act

### Two-Year Bill

- Requires adoption of a local electrification plan, decarbonization plan, community energy plan, or other similar plan, on or after January 1, 2025 but no later than January 1, 2028.
- Can be either stand alone or integrated into the general plan.
- Goals, objectives, policies, and feasible implementation measures must:
  - Expand electric vehicle charging to meet the needs of current and future visitors, residents, and businesses
  - Identify where infrastructure may be needed for public and private medium- and heavy-duty electric zero-emission vehicle fleets.
  - Identify strategies for electrification and decarbonization of new and existing buildings.
  - Identify grid upgrades to meet electrification needs, in coordination with load-serving entities.
  - Address the needs of disadvantaged communities, low-income households, and small businesses for investments in zero-emission technologies that directly benefit these groups, as specified.

Coordinated Planning, Neighborhood Vitality and Healthy Communities

### Two-Year Bills

**AB 6 (Friedman)** Creates new MPO GHG targets for Regional Transportation Plan/Sustainable Communities Strategies for 2035 and 2045

**AB 7 (Friedman)** Creates new requirements for transportation funding decisions to incorporate climate and equity principles

AB 1000 (Reyes) and AB 1748 (Ramos) Create new standards for development of warehouse facilities near "sensitive receptors"

**AB 1335 (Zbur)** Makes changes to the housing projections included in Regional Transportation Plan/Sustainable Communities Strategies and adds additional reporting requirements for local governments.

# CEQA

Two-Year Bills

AB 340 (V. Fong) Adds limitations on last-minute claims of noncompliance under CEQA
AB 692 (Jim Patterson) Creates a new CEQA exemption for egress routes and fire safety
AB 1318 (L. Rivas) Expands the CEQA exemption for infill projects by increasing the size of a residential project
SB 393 (Glazer) Requires disclosure of who's funding plaintiffs in a CEQA lawsuit/expedited judicial review

## CEQA

### Signed by the Governor

**AB 356 (Mathis)** Extends, until Jan 1, 2029, an existing provision that waives consideration of aesthetic effects under CEQA for projects that refurbish, convert, or replace derelict buildings

**AB 1449 (Alvarez)** Exempts from CEQA certain 100% affordable housing subject to a recorded California Tax Credit Allocation Committee regulatory agreement that meets other specified standards until Jan 1, 2033

- Defines "affordable housing project" as a project with 100% lower income households that meets the labor requirements in AB 2011 and meets other location criteria
- Exemptions apply to range of actions, including:
  - The issuance of the entitlement by the local agency
  - Rezoning, specific plan amendments, or general plan amendments required specifically and exclusively to allow the construction of an affordable housing project
  - Providing land via lease, conveyance, or encumbrance, or facilitating those action
  - Providing financial assistance to the project

SB 91 (Umberg) Eliminates a sunset date for CEQA exemptions of conversion of a motel, hotel, residential hotel, or hostel to supportive or transitional housing
SB 406 (Cortese) Establishes a CEQA exemption for actions taken by a local agency to provide financial assistance or insurance for low- and moderate-income residential housing

# AB 1307 (Wicks): CEQA Noise Impacts and Student Housing Alternatives

- Amends CEQA to clarify that "for residential projects, the effect of noise generated by project occupants and their guests on human beings is not a significant effect on the environment." (PRC 21085)
- Amends CEQA to state that institutions of public higher education shall not be required, in an EIR prepared for a residential or mixed-use housing project, to consider alternatives to the location of the [project] if both of the following requirements are met:
  - (1) The project is located on a site that is no more than five acres and is substantially surrounded by qualified urban uses.
  - (2) The project has already been evaluated in the most recent long-range development plan EIR for the applicable campus." (PRC 21085.2)

# SB 69 (Cortese): CEQA Notice Filings

- •Requires a local agency to file a notice of determination (NOD) with the State Clearinghouse in the Office of Planning and Research (OPR), in addition to the county clerk of each county in which the project will be located.
- Authorizes a local agency to file a notice of exemption (NOE) with OPR in addition to county clerk.
- Requires either notice (NOD or NOE), including any subsequent or amended notice, to be posted on State Clearinghouse website within 24 hours of receipt, and must remain posted for 30 days.
- Specifies that the posting of the notice by OPR would not affect the applicable time periods to challenge an act or decision of a local agency.

# APA California 75<sup>th</sup> Anniversary Resolution – Senate Floor Presentation

Member's resolution authored by Assemblymember Aguiar-Curry and Senator Caballero, to honor APA California for contributions to the planning profession and to extend best wishes for a continued success in the next 75 years and beyond.





American Planning Association California Chapter

# Contact Info

Erik de Kok, AICP Director of Interdisciplinary Planning, Ascent APA California VP of Policy and Legislation policy@apacalifornia.org

Tom Pace

Director of Community Development, City of Sacramento APA California Policy and Legislation Technical Advisor <u>TPace@cityofsacramento.org</u>

Lauren De Valencia Stefan/George Associates APA California Lobbyist lauren@stefangeorge.com