

# SANDAG

## Housing Policy Forum

Tuesday, February 15, 2022



GLOBAL POLICY  
LEADERSHIP ACADEMY

# Welcome



**Hon. Catherine Blakespear**  
Mayor, City of Encinitas  
Chair, SANDAG Board of  
Directors



**Sup. Terra Lawson-Remer**  
Board of Supervisors, San  
Diego County  
Chair, SANDAG Regional  
Equitable Housing  
Subcommittee



**Hasan Ikhata**  
Chief Executive Officer,  
SANDAG

# Agenda

| Timeline           | Agenda  |
|--------------------|---|
| 12:00 - 12:25 p.m. | <b>Welcome &amp; Session Overview</b> <ul style="list-style-type: none"><li>• Hon. Catherine Blakespear, Chair, SANDAG Board of Directors</li><li>• Hon. Terra Lawson-Remer, Representative, SANDAG Board of Directors</li><li>• Hasan Ikhata, Chief Executive Officer, SANDAG</li></ul>  |
| 12:25 - 12:40 p.m. | <b>State Housing Legislation, Trends, and Budget Activity</b> <ul style="list-style-type: none"><li>• Jennifer LeSar, CEO, LeSar Development Consultants</li></ul>  |
| 12:40 - 1:05 p.m.  | <b>Housing Bills Deep-Dive and 2022 Forecast Panel and Q&amp;A</b> <ul style="list-style-type: none"><li>• Moderator: Mayor Alejandra Sotelo-Solis, National City</li><li>• Craig Adelman, Senior Principal, LeSar Development Consultants</li><li>• Helmi Hisserich, Senior Principal, LeSar Development Consultants</li></ul> |
| 1:05 – 1:55 p.m.   | <b>Regional Panel and Q&amp;A</b> <ul style="list-style-type: none"><li>• Moderator: Jennifer LeSar</li><li>• Asm. Chris Ward (D-San Diego)</li><li>• Pamela Gray Payton, VP, Chief Impact &amp; Partnerships, San Diego Foundation</li><li>• Sean Spear, President &amp; CEO, Community HousingWorks</li></ul>                 |
| 1:55 – 2 p.m.      | <b>Preview of Upcoming Events and Closing</b>   |



# Zoom Poll: Which sector do you identify with?

# Rundown of State Housing Legislation Trends and Budget Activity



# Speaker



**Jennifer LeSar**  
President & Founding CEO  
LeSar Development  
Consultants

# Shifting Focus of Housing Policy: 2014 – Pre-COVID

Focus on  
Production



Beginning to  
Include Access



Balancing  
Physical and  
Social Needs

**McKinsey Global Institute**  
(2014)

A blueprint for addressing  
the global affordable housing  
challenge

**San Diego Housing  
Commission** (2015)

Addressing the Housing  
Affordability Crisis in San  
Diego and Beyond

**McKinsey Global Institute**  
(2016)

A Toolkit to Close  
California's Housing Gap

**Committee to House the  
Bay Area** (2019)

CASA Compact: A 15-Year  
Emergency Policy Package

**Housing Policy  
Leadership Academy**  
(2017+) Inclusive Housing  
Solutions Framework

# COVID-Informed Housing Policy: Lens of the 5Ps Framework



## **Promote**

Equity, Inclusion,  
and Sustainability



## **Prevent**

Displacement



## **Produce**

Housing for All



## **Preserve**

Vulnerable  
Housing

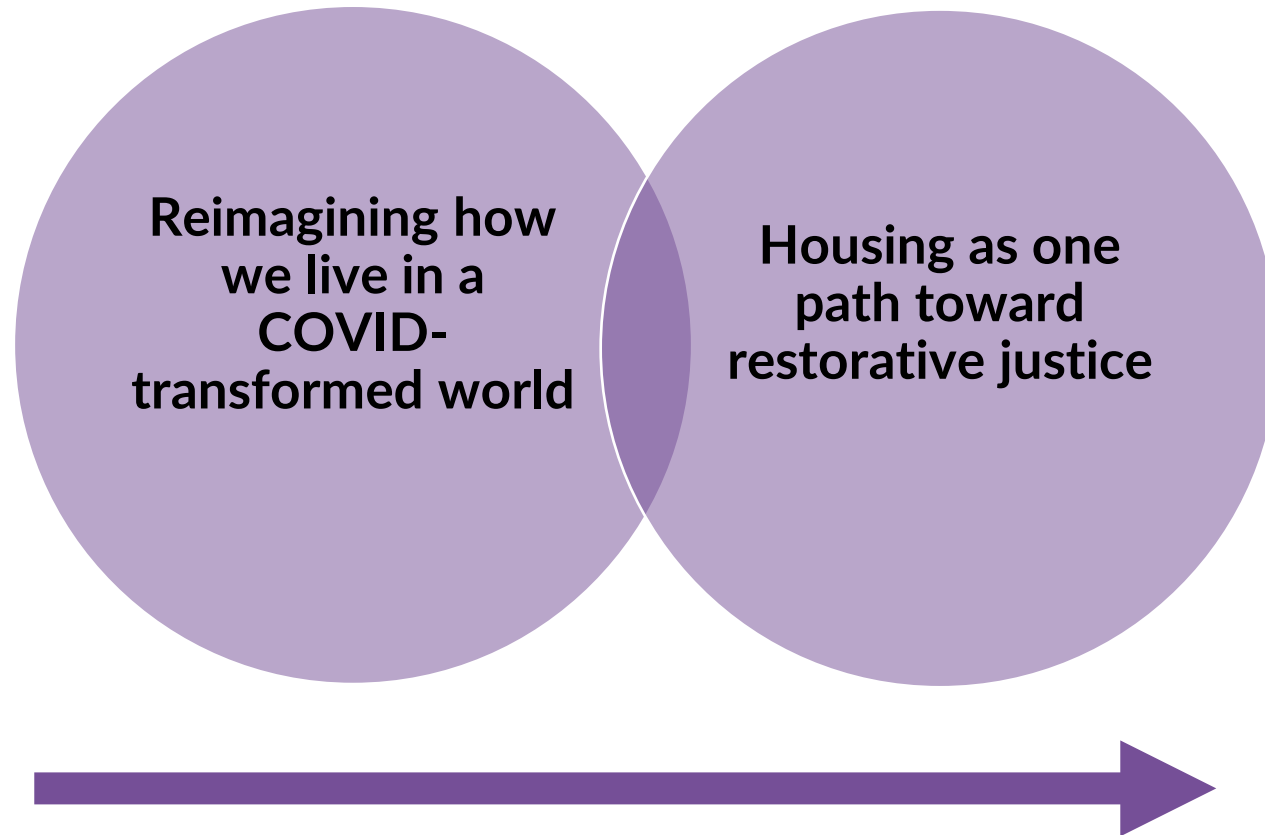


## **Protect**

Tenants



# Rethinking Housing Policy Post-COVID



# FY 21 – 22 California Budget

## Housing | \$10.3 Billion

- \$5.2 billion in **COVID 19 Rent Relief**
- \$1 billion in **mortgage assistance**
- \$1.75 billion for the **California Housing Accelerator Program**
- \$600 million for **Regional Early Action Planning** grants
- \$900 million combined for **Affordable Housing Sustainable Communities, Infill Infrastructure Grants, and Building Homes and Jobs**

## Homelessness | \$12 Billion

- \$2.75 billion over two years in **Homekey** funding
- \$2 billion over two years for local governments through the **Homeless Housing, Assistance and Prevention** program
- \$565 million for **Family Homelessness Prevention**
- \$400 million for **No Place Like Home**

# 2022 Governor's Budget Proposal

## Housing | \$2 Billion

- \$800 million combined for **Infill Infrastructure Grant Program** and **Affordable Housing Sustainable Communities Program** (over 2 years)
- \$500 million to expand **State Low Income Housing Tax Credit Program**
- Two new \$100 million investments for the development of **State-owned surplus sites** and **adaptive reuse** development
- \$200 million for **mixed-income rental housing** up to 120% AMI (over 2 years)
- \$300 million combined for the **Portfolio Reinvestment Program** and the **Mobilehome Park Rehabilitation and Resident Ownership Program**

## Homelessness | \$2 Billion

- \$1.5 billion for **quick, interim solutions** (over 2 years)
- \$500 million for **encampment removal and cleanups**
- \$10.6 million for **Returning Home Well Initiative** (over 3 years)
- Additional funding for **Mobile Crisis Teams**

# Housing Accountability and Enforcement

## Housing Accountability Unit (HAU)

- \$4.3 million in FY 21-22 State Budget
- Agency: Housing and Community Development
- Goal: to support local agency compliance with recent housing production laws through technical assistance + enforcement
  - Housing Crisis Act of 2019 (SB 330)
  - Streamlined Ministerial Permit Processes (SB 35)
  - Affirmatively Furthering Fair Housing Law
  - Accessory Dwelling Unit Laws
  - Surplus Land Act
  - No Net Loss Bonus Law
- Technical assistance + Enforcement

## Housing Strike Force

- Agency: Department of Justice
- Goal: to advance housing access, affordability, and equity in California through technical assistance + enforcement
- Includes attorneys from
  - Land Use and Conservation
  - Consumer Protection
  - Civil Rights Enforcement
  - Environmental Section's Bureau of Environmental Justice
- Housing Portal & Tenant Roundtable Series

# COVID-Informed Housing Policy: Lens of the 5Ps Framework



## **Promote**

Equity, Inclusion,  
and Sustainability



## **Prevent**

Displacement



## **Produce**

Housing for All



## **Preserve**

Vulnerable  
Housing



## **Protect**

Tenants

# 2017-2020 State Housing Policy: Promote Equity, Inclusion, and Sustainability

| 2017  | 2018   | 2019   | 2020   |
|---|--|--|--|
| <p><b>AB 571:</b> Modifies state farmworker housing tax credit to increase use</p> <p><b>AB 1505:</b> Allows cities and counties to require low-income housing as a condition for rental housing developments</p> | <p><b>AB 686:</b> Requires public agencies to comply with HUD's Affirmatively Further Fair Housing requirement</p> <p><b>SB 918:</b> Establishes additional requirements for homeless youth for HCFC</p> <p><b>SB 1152:</b> Prohibits hospitals from discharging patients to the street</p> <p><b>AB 2219:</b> Calls for landlords to accept non-cash payments from 3<sup>rd</sup> parties</p> | <p><b>SB 329:</b> Prohibits discrimination towards tenants using Section 8</p> | <p><b>AB 1845</b> (Rivas and Chiu): Establishes the Office to End Homelessness in the Governor's office</p> <p><b>AB 1561</b> (Garcia and Grayson): Requires localities to evaluate impact of government action on communities of color</p> <p><b>AB 3121</b> (Weber): Establishes taskforce to Study and Develop Reparations Proposals for African Americans</p> <p><b>SB 1157</b> (Bradford): Requires landlords of assisted housing to offer tenants option to participate in credit reporting</p> <p><b>SB 1190</b> (Durazo): Allows victims of violent crimes longer to break lease without penalty</p> <p><b>AB 3269</b> (Chiu and Santiago): Requires HCD to set homelessness reduction goals for state and local agencies and to adopt actionable plans and track progress</p> <p><b>AB 3300</b> (Santiago): Establishes the California Access to Housing Fund and appropriates \$2 billion annually to address homelessness</p> |

\* Purple text indicates it did not pass

# 2017-2019 State Housing Policy: Produce Housing for All

| 2017   | 2018  | 2019  |
|--|---|---|
| <p><b>SB 2:</b> Imposes fee on real estate transactions, expected to produce approx. \$250 million/year for homeless and low-income housing</p> <p><b>SB 3:</b> Provided authority to put \$4B housing bond on 11/18 ballot; Prop 1; Veterans and AH Act of 2018 approved by voters</p> <p><b>SB 35:</b> Streamlines approval for developments</p> <p><b>SB 166:</b> Cities must identify replacement site(s) for lost AH</p> <p><b>SB 540:</b> Incentivizes minimizing project-level environmental review</p> <p><b>AB 72:</b> Authorizes HCD to refer violations of state law to Attorney General</p> <p><b>AB 73:</b> Incentivizes streamlined zoning in cities and counties</p> <p><b>AB 678/SB 167:</b> Makes it more difficult to deny AH projects</p> <p><b>AB 879:</b> Adds implementation reporting to housing element</p> <p><b>AB 1397:</b> Changes how cities zone and grants by-right for residential development</p> <p><b>AB 1515:</b> Imposed “reasonable person” standard for land use compliance</p> | <p><b>SB 828:</b> Makes changes to RHNA process to ensure fair and accurate calculations across all jurisdictions</p> <p><b>AB 829:</b> Eliminates ability of legislators to block development by requiring, then withholding, certain documentation</p> <p><b>AB 2162:</b> Expands by-right supportive housing development</p> <p><b>AB 2923:</b> Streamlines TOD in BART infill areas</p> <p><b>AB 3194:</b> Prohibits jurisdictions from rejecting a development for other than objective general plan standards</p> | <p><b>AB 101:</b> Funds a variety of housing programs and authorizes creation of REAP/LEAP and development of prohousing designation</p> <p><b>SB 13/AB 68/AB 881:</b> Reduces impact fees and simplifies ministerial review for ADU construction</p> <p><b>SB 211:</b> Allows use of public land for homeless shelters or safe parking</p> <p><b>SB 330:</b> Suspends certain restrictions on new housing until 2025</p> <p><b>AB 1485:</b> Allows transit-oriented development projects on San Francisco BART land to receive ministerial approval</p> <p><b>AB 1486:</b> Requires cities, counties, and special districts to notify HCD of available public land suitable for housing development</p> <p><b>AB 1763:</b> Gives 100% affordable projects with up to 20% set-aside for moderate-income households a density bonus of 80%</p> |

# 2020 State Housing Policy: Produce Housing for All

| Senate  | Assembly  |
|---|---|
| <p><b>SB 288 (Wiener):</b> Exempts specified public and active transit projects from CEQA until 2023</p> <p><b>*SB 899 (Wiener):</b> Allows housing by-right on land owned by religious institutions or private colleges</p> <p><b>*SB 902 (Wiener):</b> Allows localities to pass ordinances exempting CEQA review for projects of up to 10 units in infill, transit priority or high opportunity areas</p> <p><b>*SB 995 (Atkins):</b> Extends CEQA streamlining for large projects (AB 900) and creates a housing-specific track</p> <p><b>*SB 1085 (Skinner):</b> Modifies Density Bonus Law to increase incentives for developing moderate-income rental housing</p> <p><b>*SB 1120 (Atkins):</b> Creates ministerial approval process for duplexes and urban lot splits of up to 4 units/parcel</p> <p><b>SB 1138 (Wiener):</b> Updates Housing Element Law to require greater specificity about where emergency shelters must be zoned; expedites required rezoning</p> <p><b>*SB 1385 (Caballero):</b> Makes housing an allowable use on office and retail commercial sites; expands SB 35 to include vacant/underutilized office and retail commercial sites</p> | <p><b>AB 725 (Wicks):</b> Requires localities to zone at least 25% of their moderate-income RHNA allocation as multifamily instead of single-family</p> <p><b>AB 831 (Grayson):</b> Allows for modifications to approved developments</p> <p><b>AB 1851 (Wicks):</b> Allows religious institutions to eliminate parking without replacement if building affordable housing</p> <p><b>AB 2345 (Gonzalez):</b> Modifies existing Density Bonus Law to increase developer incentives to provide more low-income units</p> <p><b>AB 1279 (Bloom):</b> Allows up to 120 units by-right in high-opportunity areas if providing specified affordability</p> <p><b>AB 2323 (Friedman):</b> Provides CEQA exemption for projects in defined very-low vehicle travel areas</p> <p><b>AB 3107 (Bloom):</b> Authorizes a housing development project to be an authorized use on a commercial site</p> <p><b>AB 3040 (Chiu):</b> Allows localities to receive RHNA credit for rezoning single-family neighborhoods to allow fourplexes</p> <p><b>AB 3279 (Friedman):</b> Streamlines CEQA and appeal timelines</p> |

\* = Senate's "Housing Package bills" Purple = Bills that did not pass



# 2017-2020 State Housing Policy: Preserve Vulnerable Housing

| 2017   | 2018 | 2019   | 2020   |
|--|------|--|--|
| <p><b>AB 1521:</b> Requires sellers of subsidized housing to entertain offers from non-profits and others able to maintain subsidies</p> <p><b>SB 136:</b> Allows existing funding to support technical assistance for mobilehome park rehabilitation and purchase</p> |      | <p><b>SB 330:</b> Establishes the Housing Crisis Act of 2019 which works to streamline development by prohibiting local actions that reduce housing capacity</p> | <p><b>Homekey:</b> utilizing Federal COVID-relief funds to provide funding for acquisition and rehab to convert hotels/motels to permanent housing</p> |

# 2017-2020 State Housing Policy: Prevent Displacement

| 2017 | 2018 | 2019 | 2020   |
|------|------|------|--|
|      |      |      | <p><b>AB 1885 (Committee on Budget):</b> Expands homestead exemption bankruptcy protections</p> <p><b>SB 1079 (Skinner):</b> Homes for Homeowners, Not Corporations modifies foreclosure auction process</p> |

# 2017-2020 State Housing Policy: Protect Tenants and Small Landlords

| 2017 / 2018 | 2019   | 2020  |
|-------------|--|---|
|             | <p><b>SB 329 (Mitchell):</b> Prohibits landlord discrimination against housing voucher holders</p> <p><b>AB 1482: Tenant Protection Act of 2019 (Chiu)</b> Sets maximum percentage for rent increases until 2030</p> | <p><b>AB 3088 (Chiu et al.):</b> COVID-impacted renters who missed payments through August are protected from evictions until February 1, 2021 and must pay 25% of rent moving forward from September through January</p> <p><b>AB 3182 (Ting):</b> Requires common interest developments (CIDs) to allow owners to rent or lease units.</p> <p><b>AB 1436 (Chiu et al.):</b> Bans evictions during the COVID state of emergency plus 90 days.</p> <p><b>SB 1410 (Hertzberg and Atkins):</b> Allows rent stabilization agreements between landlords and tenants</p> |

\* Purple text indicates it did not pass

# PANEL Housing Bills Deep Dive + Forecast of Issues to Watch in 2022



# Panel



**Hon. Alejandra Sotelo-Solis**  
Mayor, National City  
Second Vice Chair, SANDAG  
Board of Directors  
*Moderator*

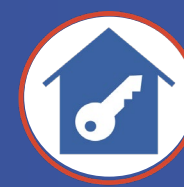


**Craig Adelman**  
Senior Principal  
LeSar Development  
Consultants



**Helmi Hisserich**  
Senior Principal  
LeSar Development  
Consultants

# SB 8 (Skinner)



PRODUCE



PRESERVE

| Background  | Significance   | Takeaway  |
|---|--|---|
|   |  |   |
| SB 330 (2019) was originally passed to remove constraints for developers to get through the entitlement process, with a five-year sunset of 1/1/2025. | <b>Major</b><br>SB 8 streamlines approvals and makes necessary clarifications and fixes to SB 330. | SB 8 increases certainty and accountability for developers by extending the Housing Accountability Act (HCA) and clarifying its provisions to ensure that streamlining is achieved. |

## Summary



- Extends HCA to 1/1/2030 and extends the provisions to 1/1/2034 for any housing development that submits a preliminary application by 1/1/2030.
- Caps the number of hearings required, bars cities from reducing the number of homes that can be built, and prohibits fee-hikes mid-development, among other actions.




# SB 9 (Atkins)



PRODUCE



PROMOTE

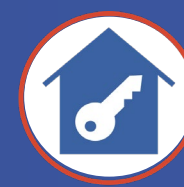
| Background   | Significance  | Takeaway  |
|--|---|---|
|                           |    |    |
| Zoning land as single-family has been a trend that has limited where people can afford and choose to live. | <b>Major</b><br>SB 9 essentially ended single-family zoning in California to address issues of opportunity and segregation and make better use of scarce land resources possible. | SB 9 creates a way to provide more naturally affordable, missing middle housing without government subsidy.<br><br>Includes a provision that the homeowner must attest to remaining in one of the units for a minimum of three years. |

## Summary



- Makes statewide changes allowing for the by-right development of small-scale projects of four or fewer homes on lots zoned single-family.
- Any new housing must meet requirements such as local set-back/design, anti-displacement, and historic preservation.




# SB 10 (Weiner)



PRODUCE



PROMOTE

| Background  | Significance   | Takeaway   |
|---|--|--|
|    |   |   |
| <p>Previous bills similar to SB 10 (SB 50 and SB 902) did not pass.</p> <p>This bill provides similar measures to increase density but makes it voluntary for cities.</p> | <p><b>Potentially Major</b></p> <p>SB 10 could have a big impact in how cities think about zoning.</p> <p>Unlike SB 9, the bill is not required so impact is not as clear.</p> | <p>The bill gives cities and counties a new tool as they plan to address increased Regional Housing Needs Assessment (RHNA) goals.</p> |

## Summary



- Provides a streamlined path to rezone infill parcels to create light-touch, missing middle housing densities.
- Requires local governments to pass an ordinance that is not subject to CEQA to up zone any parcel up to 10 units if they are near transit, job centers, or are urban infill lots.
- The bill does not exempt the projects themselves from CEQA requirements.



# AB 787 (Gabriel)



PROTECT



PREVENT



PRODUCE



PRESERVE

| Background  | Significance  | Takeaway  |
|---|---|---|
|   |   |   |
| AB 787 responds to several agencies that have developed a new model to provide housing that is affordable without public subsidy. | <b>Medium</b><br>AB 787 provides incentives to jurisdictions to meet part of their moderate-income housing need through this program. | This bill extends current law to allow the conversion of market rate units to moderate-income units to count toward meeting up to 25% of their moderate-income housing element goals. |

## Summary



- AB 787 addresses the need to increase housing for the "missing middle" by encouraging new models of preservation without the need for public subsidy.
- This bill allows units preserved for moderate-income households to contribute to meeting a jurisdiction's housing element goals if restricted for at least 55 years and the new rent is at least 10% lower than the rent charged over the 12 months prior to conversion.

# SB 679 (Kamlager)



PROMOTE






PROTECT



PRODUCE



PRESERVE

| Background   | Significance   | Takeaway   |
|--|--|--|
|   |   |   |
| <p>This bill would fill in the funding gap left by redevelopment agencies, which were dissolved a decade ago. Since then, there has been no comparable program or permanent funding source for affordable housing.</p> | <p><b>Potentially Major</b><br/>The establishment of LACAHSAs could build or preserve 100,000 units over the next decade with funding and authority.</p> | <p>Modelled on AB 1487, the bill that created the Bay Area Housing Finance Authority (BAHFA), this bill enables regional cooperation and long-term funding to address housing in Los Angeles by establishing LACAHSAs.</p> |

## Summary



- SB 679 would establish the Los Angeles County Affordable Housing Solutions Agency (LACAHSAs), an independent regional authority that would build new affordable housing, preserve existing affordable housing, and provide renter protections and support.
- The agency would have bonding and taxing authority, although any tax increases would require a ballot measure.

# Issues to Watch - 2022

- **Wrapping up last year's bills & Ensuring funding accountability**
- **\$45M budget surplus**
- **Finding compromises for labor requirements in housing bills**
- **State + regional long-term funding sources for housing**
- **Intersection of climate and housing**
- **Rent relief and tenant protections**

# Regional Panel

# Panel



**Jennifer LeSar**  
President & Founding CEO  
LeSar Development  
Consultants  
*Moderator*



**Asm Chris Ward**  
D-San Diego  
California State  
Legislature



**Pamela Gray Payton**  
Chief Impact and  
Partnerships Officer  
Vice President of  
Community Impact  
San Diego Foundation



**Sean Spear**  
President & CEO  
Community  
HousingWorks

# Preview of Upcoming Events and Closing

# Housing Policy Leadership Academy

## Purpose:

Explore and understand the root causes of the housing crisis and best practice policies to develop and advance equitable solutions that accelerate housing production and end the housing affordability crisis.

| What Is It?   | When?  | Who Should Apply?  | How to Apply   |
|---|--|--|--|
| <ul style="list-style-type: none"><li>▪ 2 virtual regional Academies organized by geographic region</li><li>▪ Approx. 40 people per cohort</li><li>▪ Work with a small group to draft a housing policy proposal</li></ul> | <ul style="list-style-type: none"><li>▪ Academies run March 2022 – December 2022</li><li>▪ Meet once a month for 10 months</li></ul> | <ul style="list-style-type: none"><li>▪ Community leaders and influencers, including:<ul style="list-style-type: none"><li>▪ Elected officials</li><li>▪ Government agency staff</li><li>▪ Housing developers</li><li>▪ Community-based organizations</li><li>▪ Housing, transit, climate and environment, and parks advocates</li><li>▪ Employers</li><li>▪ Labor organizations</li></ul></li></ul> | <ul style="list-style-type: none"><li>▪ Online application at <a href="http://gpla.co/sandag-hpla-application/">gpla.co/sandag-hpla-application/</a></li><li>▪ <b>Application deadline Friday Feb 18, 2022</b></li><li>▪ Selected applicants notified no later than Feb 23, 2022</li></ul> |

# Housing Pipeline Request for Information

**Purpose:** Track housing investment activity and opportunities in the region to enable SANDAG to support and advocate for housing issues.

| What Is It?   | When?   | Who Should Submit?   | How to Apply   |
|---|---|--|--|
| <ul style="list-style-type: none"><li>▪ Request for Information to learn more about known and planned housing development projects in the Region</li><li>▪ SANDAG will use the Pipeline to engage qualified development teams when funding, partnership, and/or technical assistance opportunities are available or released.</li></ul> | <ul style="list-style-type: none"><li>▪ Ongoing</li></ul> | <ul style="list-style-type: none"><li>▪ Developers that have a current pipeline of housing projects and anticipate developing projects in the San Diego region over the next five years</li><li>▪ Requesting projects representing all models of housing, including affordable rental and homeownership projects</li></ul> | <ul style="list-style-type: none"><li>▪ <a href="#">RFI Instructions</a> (link dropped in chat)</li><li>▪ <b>Submission deadline Friday Feb 18, 2022</b></li></ul> |



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 Email: [Adam.Fiss@sandag.org](mailto:Adam.Fiss@sandag.org)

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