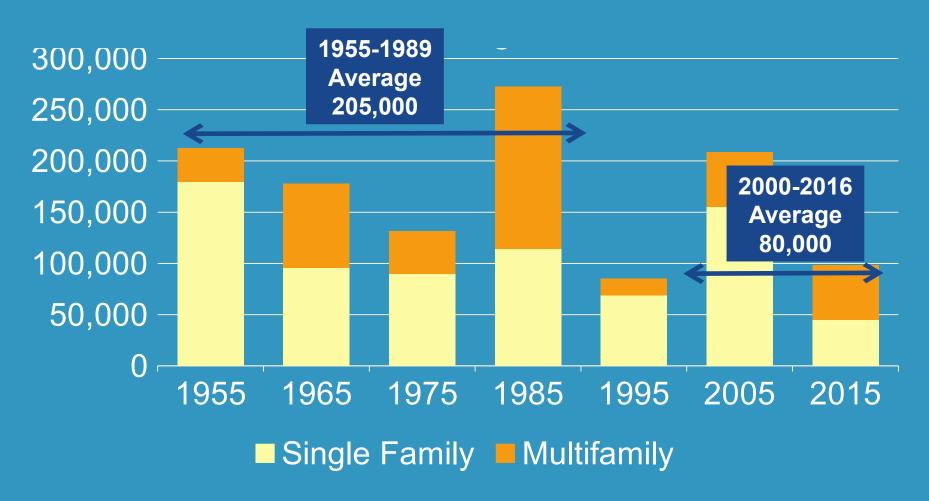
Building California's Future

180,000 new homes needed annually

Annual New Housing Permits 1955-2016



Rent vs. Renter Income



- % Change in Rent
- % Change in Renter Income

1.7 MILLION

Worst Case Housing Needs Households



CA 2017 Housing Package Enacted September 29, 2017



- Streamlined approvals
- Greater enforcement
- Preservation
- Permanent funding



2017 Housing Package

SB 35 * Streamline multifamily housing developments

SB 540 Establish Workforce Housing Opportunity Zones

AB 73 Housing Sustainability Districts

SB 2 * Create a permanent source of funding

SB 3 \$4 billion housing bond

AB 879 * Additional housing evaluation

AB 72 * Housing element enforcement

AB 678/ SB167 * Strengthen Housing Accountability Act

AB 1515 * Strengthen Housing Accountability Act

SB 166 * No-Net-Loss

AB 1397 * Housing element sites inventory

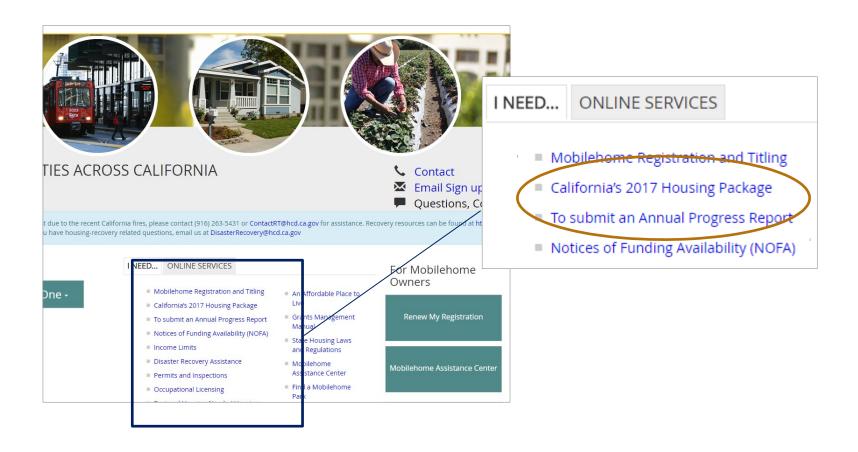
AB 1505 Inclusionary housing

AB 1521 Preservation

AB 571 Farmworker tax credit and OMS



California's 2017 Housing Package – main page:





California's 2017 Housing Package

New! To receive updates by email, sign up (scroll to "General Information" and select "California's 2017 Housing Package").

ıe bill

stion.

- Purpose
- Housing Bills Summary
- New! Wanted: Your Input! Help shape implementation of the 2017 Housing Package
- · New! Projected Milestones
- · Resources Includes downloadable fact sheets
- New! Frequently Asked Questions



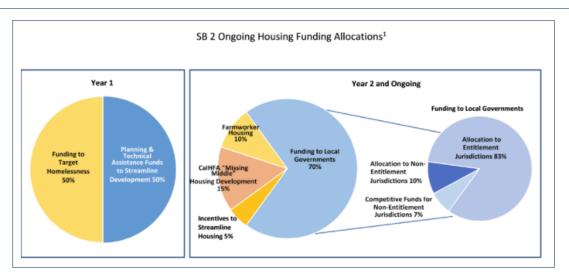
California's 2017 Housing Package Frequently Asked Questions

SB2 (Atkins) Building Jobs and Homes Act

Q: How much money will be collected from the fee on recording real estate documents?

A: The revenues from SB 2 will vary from year to year, as they are dependent on a variety of real estate transactions with fluctuating activity. The fees collected are estimated to generate approximately \$250 million per year. Subject to appropriation through the 2018-19 state budget, the State Controller's Office will collect revenues quarterly and make those revenues available to the fund 30 days following the end of the quarter.

Q: What is the breakdown of funding under SB 2?



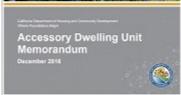


Accessory Dwelling Unit Resources

http://www.hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml

Technical Assistance Booklet





Download entire booklet (PDF) Information for cities, counties, other local government bodies, and homeowners interested in adding an accessory dwelling unit to their property.

Download the entire booklet (PDF) or select one of the following excerpts:

- Understanding ADUs and Their Importance (PDF)
- Summary of Recent Changes to Accessory Dwelling Unit Laws (PDF)
- Frequently Asked Questions: Accessory Dwelling Units (PDF)
- Frequently Asked Questions: Junior Accessory Dwelling Units (PDF)
- Sample ADU Ordinance (PDF)
- Sample JADU Ordinance (PDF)
- State Standards Checklist (PDF)

New! Updated ADU booklet coming soon!



Contact

CAHP@hcd.ca.gov

In your Subject Line, please reference the bill number (see below) related to your question.

- Streamlined approval process
- Development must be on infill site and comply with existing zoning
- Development must provide at least 10% of units for lower-income families and pay construction workers prevailing wage.
- Only applies in jurisdictions that have fallen behind in Regional Housing Needs Assessment (RHNA) progress



Effective: Jan 2018

Preliminary Determination:

On the website!

Public Outreach:

Beginning Spring 2018









SB 35 Determination Overview

Streamlining for developments with at least 10 percent affordable units (and that meet other SB 35 provisions)

Jurisdictions that did not submit the latest Annual Progress Report (APR) [Currently the 2017 APR is the latest APR] OR

Jurisdictions that did not permit enough **above-moderate income** units to meet a pro-rata share of their above-moderate income regional housing need for the current housing element cycle

Note: If a local ordinance requires greater than 10 percent affordability, the local ordinance applies.

Streamlining for developments with at least <u>50</u> percent affordable units (and that meet other SB 35 provisions)

Jurisdictions that did not permit sufficient **lower income units** (very-low and low-income) to meet a pro-rata share of their very-low and low-income regional housing need for the current housing element cycle

Note: If a local ordinance requires greater than 50 percent affordability, the local ordinance applies.



How Does HCD Make the SB 35 Determination? Part 1

Streamlining for developments with at least 10 percent affordable units (and that meet other SB 35 provisions)

Jurisdictions that did not submit the latest Annual Progress Report (APR) [Currently the 2017 APR is the latest APR] OR

Jurisdictions that did not permit enough above-moderate income units to meet a pro-rata share of their above-moderate income regional housing need for the current housing element cycle

Note: If a local ordinance requires greater than 10 percent affordability, the local ordinance applies.

213 jurisdictions (40%) have not submitted 2017 APR – Automatically Subject to SB 35 2017 APRs were due April 2018
Turn in **ASAP** to be counted in next SB 35
Determination



How Can A Jurisdiction Submit Housing Element Annual Progress Reports?

Use the **Online Annual Progress Reporting** system (preferred method):
https://casas2prodwlext2.hcd.ca.gov/APR/login.do

Welcome to the
Housing Element Tracking System
Department of Housing and Community Development
Annual Progress Reporting

Enter User Name

Enter Password

Login

Contact APR@hcd.ca.gov for your login

information. **Email** excel or pdf copies of your APRs to APR@hcd.ca.gov

Mail your APRs to HCD:

California Department of Housing and Community Development Division of Housing Policy Development P.O. Box 952053
Sacramento, CA 94252-2053

APR@hcd.ca.gov is also your source for technical assistance and corrections to past APRs.



How Does HCD Make the SB 35 Determination? Part 2

Streamlining for developments with at least 10 percent affordable units (and that meet other SB 35 provisions)

Jurisdictions that did not submit the latest Annual Progress Report (APR) [Currently the 2017 APR is the latest APR] OR

Jurisdictions that did not permit enough **above-moderate income** units to meet a pro-rata share of their above-moderate income regional housing need for the current housing element cycle

Note: If a local ordinance requires greater than 10 percent affordability, the local ordinance applies.

Streamlining for developments with at least 50 percent affordable units (and that meet other SB 35 provisions)

Jurisdictions that did not permit sufficient lower income units (very-low and low-income) to meet a pro-rata share of their very-low and low-income regional housing need for the current housing element cycle

Note: If a local ordinance requires greater than 50 percent affordability, the local ordinance applies.



Determining the Prorated Regional Housing Need Example

Example: Jurisdiction

APRs that count	2014
towards First Half	2015
Reporting Period	2016
	2017
APRs that count	2018
towards Last Half	2019
Reporting Period	2020
	2021

2017 target =**50%** through RHNA

Very Low Income % Complete	Low Income Complete		Above Moderate Income % Complete	
8%	15%		60%	
2017 APR Submitted			Yes	

This example jurisdiction is subject to SB 35 Streamlining for developments with at least 50 percent affordability.

SB 35 Determination Statewide

Currently exempt from SB 35	12
Subject to SB 35 streamlining for developments with at least 10 percent affordability	377
Subject to SB 35 streamlining for developments with at least 50 percent affordability	150



Determining the Prorated Regional Housing Need Example

Very Low Income % Complete	Low Income Complete		Above Mo Income %	
51%	51%		60%	
2017 APR Submitted			Voe	

This example jurisdiction is exempt from SB 35 Streamlining, but of course this jurisdiction is still encouraged to promote streamlining and housing approvals.

The cycle is not done yet!



SB 35 Determination

SB 35 Implementation

- New! Statewide Determination Summary (PDF) Summary of w currently subject to SB 35 streamlining for developments with at streamlining for developments with at least 50 percent affordabi
 - Maps
 - Statewide (PDF)
 - Bay Area (PDF)
 - Central Coast (PDF)
 - Central Valley (PDF)
 - Sacramento (PDF)
 - San Diego (PDF)
 - Southern California (PDF)
 - New! <u>Determination Methodology and Background Data</u> (PDF) (Update 1/31/18)

Both are available in the Annual Progress Report section of HCD's website and on the homepage.

Housing Element Open Data Project

 New! Housing Element Implementation Tracker (XLS) — Summary of zoning status, rezoning requirements, and 2013-2016 Annual Progress
 New! 5th Annual Progress Report Permit Summary (XLS) — Summary HCD. (Updated 1/31/18)

For APR Corrections email APR@hcd.ca.gov



New APR Requirements for 2018 and Beyond (SB 35/AB 879)

- Number of applications, number of units in applications, number of approved units, number of denied units
- APN, Income Category, and Tenure for:
 - Completed Entitlements
 - Building Permits (Required since 2010, but now adds location requirement for moderate and above mod)
 - Certificates of Occupancy
- Changes to zoning that complete a housing element program or result from no-net-loss requirement



New APR Requirements for 2018 and Beyond (SB 35/AB 879)-Continued

- SB 35 Streamlining Tracking
 - Number of <u>applications</u> submitted under the SB 35 streamlining provisions
 - Location and number of developments <u>approved</u>
 - Total number of building <u>permits</u> issued
 - » Total number of units <u>constructed</u> by tenure and income category
- AB 1934 (2016) added a requirement to track approved commercial development bonuses including the terms between commercial developer, affordable developer, and local gov. Also, the # of housing units constructed as part of the agreement.



APR Form Update for 2018 Timeline

Update of APR Forms (SB 35/AB 879)
Projected Milestones

Spring 2018 Initiate Public Outreach

Summer 2018 Development of new APR

Guidelines and Forms

Winter 2018/2019 Release of Final Updated

Forms

April 1, 2019 2018 APR Forms are due to

HCD

New Funding: SB 2 and SB 3



Year 1

StateAdministered
50% Planning
Grants

State-Administered
50% Homeless
Programs

Year 2 and beyond

LocallyAdministered
70% Affordable
Housing

State-Administered

15% middle-income rental5% production incentive10% farmworker housing

Fees Collected: Jan 2018 Guidelines:

Summer 2018

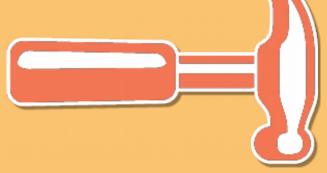
Homeless NOFA: Fall 2018 Planning Grant NOFA Spring 2019

- \$1.5 billion
 Multifamily housing
 - \$500 million
 Transit-oriented development
 and infill infrastructure
 - \$400 million
 CalHome
 - \$300 million
 Joe Serna Farmworker Housing
 - \$300 Million Local Housing Trust Fund Matching Grant
 - \$1 billion CalVet

Ballot: Nov 2018 Initial NOFA (if passed):
Spring 2019

New Amendments to Housing Accountability Act

AB 678/167



State Housing Accountability Act

- Increases standard of proof for local agency to legally defend any denial of low or moderate income housing development projects.
- Imposes a \$10,000 per unit penalty on cities/counties that deny (for unjustified reasons) approval of new homes affordable to low or moderate income Californians.
- Limits state courts' deference to local jurisdiction's interpretation of standards.

Effective: Jan 2018

Public Outreach:

Beginning
Summer 2018

AB 678/167



Increased Enforcement For State Housing Laws – AB 72

 Authorizes HCD to decertify jurisdictions' Housing Element midcycle.

 Enables HCD to refer violations of state housing laws to Attorney General





Housing Element Accountability

> AB 1397 (Low) Adequate Housing Element Sites

Strengthens housing planning law to ensure appropriate land is appropriately designated and available for development

> SB 166 (Skinner) No Net Loss

Ensures appropriately zoned land remains available for development of housing affordable to lower income Californians

AB 1521



 Requires seller to accept a bona fide offer to purchase from qualified purchaser

 Gives HCD additional tracking and enforcement responsibilities

AB 1521



Jan 2018

Creation of Guidance and Forms Fall 2018



Type of HCD Work Product

Bill	NoFA's	Guidelines/ Forms	Technical Assistance
SB 2 (Building Homes and Jobs Act)	X	X	X
SB 3 (Veterans and Affordable Housing Bond)	X	X	X
SB 35 (Streamlining)		X	X
SB 540 (Workforce Housing Overlay)	X	X	X
AB 73 (Sustainability District)	X	X	X
AB 879 (Annual Progress Reports)		X	X
AB 1521 (Preservation)		X	X
AB 1397 (Housing Elements)			X
SB 166 (No-Net-Loss)			X
AB 678, SB 167, AB 1515 (Housing Accountability Act)			X
AB 1505 (Inclusionary Ordinances)			X



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