



## 2024 Legislative Update

September 30, 2024



## **Panelists**









## Erik de Kok, AICP

Director of Interdisciplinary Planning, Ascent **APA CA Vice President of Policy and** Legislation

### **Tom Pace**

Director of Community Development, City of Sacramento

**APA CA Policy and Legislation Technical Advisor** 

### Eric S. Phillips, J.D.

Partner, Burke, Williams & Sorensen **APA CA Policy and Legislation Technical Advisor (appointment pending)** 

Lauren De Valencia

Managing Principal, Stefan/George Associates **APA CA Lobbyist** 

## PART 1

APA California Legislative Program

2024 Legislative Session - Big Picture

2024 Legislation - General land use, infrastructure, fees, and hazard mitigation

## PART 2

2024 Legislation Continued – Housing and CEQA

# APA California Policy & Legislative Program Overview

# APA California Policy and Legislative Program

### **Policy and Legislative Program Roles**

VP for Policy and Legislation
Erik de Kok, elected
(Elections for 2025-2026 happening now)

Technical Advisors for Policy and Legislation
Tom Pace, appointed
Eric S. Phillips, appointment pending

National Policy and Legislation Representative Vacant, appointed

<u>Lobbyist</u> Lauren De Valencia, staff

Section Legislative Representatives 8 members, elected

<u>Legislative Review Team</u> 75+ volunteers

## APA California Legislative Activities

Bill Review

Legislative

Review Team

Legislative Positions and Letters

Advocacy

Partnerships

eNews, Social Media and Webinars

Resources to Get Involved

## 2023-24 APA California Platform

Housing

Equity, Inclusion, and Social Justice Climate
Resilience and
Hazard
Mitigation

Infrastructure, Services, and Fees

**CEQA** 

Healthy Communities

Coordinated Planning

## Big Picture

# What's Influencing the Legislature in 2024

- Housing and Homelessness
  - Accountability and Implementation
  - Agency Reports and Audits
- Climate and Infrastructure
- Leadership/Committee Changes and Election Year
- Budget Deficit

## 2024-2025 State Budget

## Final \$297.9 billion budget agreement addressed a roughly **\$47** billion shortfall through:

- **Reductions** \$16.0 billion for various items
- Fund Shifts \$6.0 billion from the General Fund to other funds
- Delays and Pauses \$3.1 billion to address increased future obligations
- **Deferrals** \$2.1 billion for certain payments to later years
- Reserves \$12.2 billion from the Rainy Day Fund

## <u>Proposed reductions on housing/climate related programs originally included:</u>

- Regional Early Action Planning (REAP) 2.0 grants
- Infill Infrastructure Grants
- Coastal resilience funding
- Clean energy and transportation funding

## 2024-2025 State Budget

### **Other Notable Change:**

Reorganization of the Office of Planning and Research (OPR) through several actions, including renaming OPR to the Governor's Office of Land Use and Climate Innovation.

### **Final Budget Preserves:**

- Restored \$260 million in one-time funding to the REAP 2.0 Program, reducing the cut to \$40 million out of the original \$600 million allocation
- \$1 billion Homeless Housing, Assistance and Prevention (HHAP grants) \*with additional accountability measures \*
- Funding to other/climate housing related programs but not all

## **Keep in Mind**

**2024 Legislative Session Ended August 31** (Now in Special Session) **Governor's deadline to act on bills is today!** 

Two-Year Sessions The Legislature convenes in two-year sessions

- Bills Introduced in first year can usually be carried over to second year "two-year bills"
- Bills "held under submission" were held in the Appropriations Committees and are "stuck"

#### <u>Stats</u>

- 2100 + bills introduced
- 400 + directly related to planning
- 1200 + sent to the Governor
- **75** covered during today's session
  - APA California weighed in many + other ideas floating around the Legislature

What about bill limits you ask??

## Equity, Inclusion, and Social Justice

### **SIGNED BY THE GOVERNOR**

**SB 1187 (McGuire)** Creates a new Tribal Housing Grant Program (THGP), within HCD for the construction and rehabilitation of rental and for-sale housing.

**AB 1878 (Garcia)** Creates the Tribal Housing Grant Program Fund Advisory Committee within HCD, upon appropriation; makes changes to tribal liaison and technical assistance requirements that apply to HCD; and limit HCD's ability to require tribes to waive sovereign immunity to access funding

#### **VETOED BY THE GOVERNOR**

**SB 1050 (Bradford)** Would have established a procedure by which a dispossessed owner of property that was taken as a result of racially motivated eminent domain could apply for the return of the property, property of equal value, or compensation.

# Climate Resilience and Hazard Mitigation

### **Didn't Move Forward**

**AB 2416 (Connelly)** Would have required the Department of Insurance, and every five years thereafter, to consider updates to the Safer from Wildfire regulations to include additional building hardening measures.

**AB 3150 (Quirk-Silva)** Would have required the State Fire Marshal to review and update fire hazard severity zone (FHSZ) maps every five years, involve public agencies and other entities in fire hazard assessments, and adopt updated regulations for defensible space and fuel management.

**SB 610 (Wiener)** Would have replaced the state's FHSZ mapping system with a new "Wildfire Mitigation Areas" systems, and shift authority to State Fire Marshal, with changes to regulations.

**SB 1014 (Dodd)** Would have required the the State Fire Marshal to prepare a Wildfire Risk Mitigation Planning Framework and make the Framework available as a planning tool for entities likely to engage in statewide wildfire risk mitigation actions.

# Climate Resilience and Hazard Mitigation Continued...

### **SIGNED BY THE GOVERNOR**

**AB 2875 (Friedman)** Declares it is state policy to ensure no net loss, and long-term gain, in the quantity, quality, and permanence of wetlands acreage.

### **VETOED BY THE GOVERNOR**

**AB 2330 (Holden)** Would have established a process to facilitate the approval of an incidental take permit for listed species, if any, needed by a local agency to undertake wildfire preparedness activities, among other provisions.

**SB 571 (Allen)** Would have required OPR to conduct a study and prepare a report, including recommendations, that evaluates potential improvements to state standards for ingress and egress and evacuation routes for development in the event of a natural disaster.

# Climate Resilience and Hazard Mitigation Continued...

### **Approved by Governor and filed with Secretary of State:**

SB 867 (Allen) Enacts the "Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024," which authorizes a \$10 billion bond to be placed before the state's voters for approval in November.

- Safe drinking water
- Drought, flood, and water resilience
- Wildfire and forest resilience
- Coastal resilience
- Extreme heat mitigation
- Biodiversity and nature-based climate solutions
- Climate-smart, sustainable, and resilient farms, ranches, and working lands,
- Park creation and outdoor access
- Clean air programs

# Select Committee on Permitting Reform

## • Purpose:

 To examine the permitting process at all levels of government, focused topically on housing, energy, water and climate resilience

### • Process:

- o Chaired by Assemblymember Buffy Wicks
- o First public hearing held in Juneo Fall hearing likely
- APA participated in post hearing interview facilitated by Bay Area Council
- Committee will issue a report, likely in early January, to make recommendations to the Legislature on findings

## Infrastructure Streamlining Package

## Didn't move forward but proposals would have:

- Required by right permitting on "a clean energy manufacturing development" if parcel was within a zone where any industrial use is an allowed use.
- Required Cal EPA and Natural Resources Agency to jointly adopt a "one-stop shop" permitting process to expedite the issuance of environmental permits.
- Required the Natural Resources Agency to prepare and certify one or more master EIRs for projects that meet requirements for certification by the Governor as infrastructure projects.

# Infrastructure Streamlining Package Continued....

"Clean energy manufacturing development" means a development for the purpose of manufacturing, producing, or assembling any of the following:

- Energy storage systems and components
- Microgrids or distributed energy resources
- Equipment and infrastructure for production of green hydrogen
- Zero-emission medium or heavy-duty vehicles and associated charging or fueling infrastructure
- Zero-emission off-road equipment eligible for the Clean Off-Road Equipment Voucher Incentive Programs
- Zero-emission vessels, zero-emission harbor craft, and zero-emission
- Infrastructure
- Electrified trainsets, systems, and components
- Zero-emission aircraft

## Infrastructure, Services and Fees

### **Didn't Move Forward**

**AB 930 (Friedman)** Would have created new Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) districts.

### **SIGNED BY THE GOVERNOR**

**AB 2427 (McCarty)** Requires local agencies to undertake specified actions regarding the permitting of electric vehicle charging stations in the public right-of-way and adds specified information to the Electric Vehicle Charging Station Permitting Guidebook developed by GO-Biz.

**SB 347 (Newman)** Exempts leases or easements for electric vehicle charging stations and hydrogen-fueling stations from the Subdivision Map Act.

**SB 1140 (Caballero)** Makes changes to the enhanced infrastructure financing district formation process and expands the type of projects that these districts and other similar districts can finance to include projects that improve air quality.

# Infrastructure, Services and Fees - Impact Fees

### **SIGNED BY THE GOVERNOR**

**AB 1820 (Schiavo)** Requires local agencies to provide developers with more information on fees and exactions at various stages of the housing development approval process, if requested.

**AB 2553 (Friedman)** Requires cities and counties to set lower traffic impact mitigation fees for transit-oriented housing developments near major transit stops, instead of just at transit stations, and changes the definition of a major transit stop.

**AB 2663 (Grayson)** Requires local agencies that collect inclusionary housing in-lieu fees and have a website to post on their website specified information about the amount of fees collected and how they were spent.

**AB 3012 (Grayson)** Requires cities and counties to make available on their internet websites a fee estimate tool that the public can use to calculate an estimate of fees and exactions for a proposed housing development and requires HCD to create a fee schedule template and a list of best practices.

# Infrastructure, Services and Fees - Impact Fees Continued...

### **SIGNED BY THE GOVERNOR**

**AB 3177 (W. Carrillo)** Prohibits a local agency from imposing a land dedication requirement on a housing development to widen a roadway for the purpose of mitigating vehicular traffic impacts or achieving an adopted traffic level of service (LOS) related to vehicular traffic.

**SB 937 (Wiener)** Prohibits a local government from requiring payment of fees or charges for public improvements or facilities on a designated residential development project before the development receives a certificate of occupancy/final inspection, except under certain conditions. Authorizes a local government to collect certain unpaid fees or charges in accordance with a specified procedure if the housing developer does not post a performance bond or letter of credit.

**SB 1210 (Skinner)** Requires electrical, gas, sewer, and water service utilities, with exceptions, to post estimated fees and timeframes for new service connections needed to connect new housing construction projects.

## Sheetz v. County of El Dorado

- 2024 US Supreme Court decision expands circumstances for property owners to make takings claims against cities and counties
- Permits property owners to challenge legislatively-adopted impact fees imposed as a condition of approval in a land use decision
- Overturns CA case law blocking takings challenges to impact fee
- Requires Nollan/Dolan nexus and rough proportionality to impose impact fees



## Sheetz v. County of El Dorado

### What's next?

- Sheetz unanimously holds that a taking claim is available to challenge both ad hoc and legislatively-adopted exactions applied to specific projects
- This **does not** prohibit impact fees or (necessarily) mean that petitioners can argue *Nollan/Dolan* applies to facial challenges
- Court did not address whether nexus/rough proportionality must be shown for individual projects or if classes of projects are sufficient

Bottom Line: proceed with caution and consider the adequacy of your nexus analysis when conditioning projects

# Coordinated Planning, Neighborhood Vitality and Healthy Communities

### **Didn't Move Forward**

- **AB 6 (Friedman)** Would have increased the authority of CARB over Sustainable Communities Strategies submitted by transportation planning agencies.
- **AB 1335 (Zbur)** Would have made changes to tie housing projections included in RTPs/SCSs more directly to RHNA, and added additional Housing Element APR reporting related to these changes.

### **SIGNED BY GOVERNOR**

- AB 2085 (Bauer-Kahan) Requires ministerial approval of a permit for a community clinic that provides reproductive health services in a zone where office, retail, parking, or health care is a permitted use.
- **AB 2632 (Wilson)** Prohibits a local agency from treating thrift stores differently from a retail store that sells similar new items for purposes of zoning and development standards.

## General Plan Updates

### **Didn't Move Forward**

- **AB 1176 (Zbur)** Would have required new planning documents or General Plan updates on electrification/decarbonization.
- **AB 2583 (Berman)** Would have required a city or county to update the circulation element to identify and establish school walk zones, along with related changes in other areas of state law.
- **SB 1045 (Blakespear)** Would have required OPR to develop a technical advisory on best practices to facilitate the siting of compost facilities and required cities and counties to consider updating the land use element to identify areas for siting compost facilities.

## General Plan Updates Continued...

### **SIGNED BY THE GOVERNOR**

**AB 1889 (Friedman)** Requires an update to the conservation element to consider the impact of development on the movement of wildlife and habitat connectivity on or after January 1, 2028.

**AB 2684 (Bryan)** Requires an update to the safety element to address extreme heat hazards, on or after January 1, 2028.

## AB 98

## New Limitations on Warehousing/Logistics Uses, and Circulation Element Updates

#### **SIGNED BY THE GOVERNOR**

- Effective January 1, 2026, local agencies are prohibited from approving new or expanded "logistics uses" near sensitive receptors, unless comprehensive, statewide standards are met.
- Requires all local jurisdictions to update the circulation element of their General Plan to include specific requirements for truck routes by 2026 in the "warehouse concentration region", or by 2028 elsewhere; and, authorizes the Attorney General to fine local jurisdictions if they are not in compliance.
- Requires the South Coast Air Quality Management District to collect air pollution data near operational logistic use developments in the Counties of San Bernardino and Riverside.

## AB 98 - Warehousing/Logistics Use Restrictions and Development Standards (cont'd)

AB 98 prohibits local agencies from approving new or expanded "logistics uses" on existing or rezoned industrial sites that do not comply with comprehensive, statewide standards. Effective January 1, 2026.

- Siting criteria and design standards, based on size of use, distance/proximity to sensitive receptors, existing zoning of site.
  - O <u>Siting criteria</u>: Any new logistics use must be sited on roadway classified as arterial, collector, major thoroughfare, or local road predominantly serving commercial uses (with exceptions).
  - o <u>"21st century warehouse"</u> base standards for projects <250,000KSF
  - <u>"Tier One 21st-Century Warehouse"</u> standards for projects >250KSF
  - Additional standards apply in the "warehouse concentration region" (WCR):
    - Defined as Riverside and San Bernadino counties, and cities of Chino, Colton, Fontana, Jurupa Valley, Moreno Valley, Ontario, Perris, Rancho Cucamonga, Redlands, Rialto, Riverside, and San Bernardino.

## AB 98 - Warehousing/Logistics Use Restrictions and Development Standards (cont'd)

- Siting criteria and design standards (cont'd): Examples of design and development standards.
   Variation based on project size and geographic context. Not an exhaustive list, see bill for more details...
  - High energy efficiency and green building standards
  - Skylights for 1% of roof area, or equivalent LED lighting
  - Electrify loading bays serving cold storage
  - All forklifts and small off-road equipment must be zero emissions
  - O Orient truck loading bays on opposite side of logistics uses, away from receptors; and at least 300' from property line of nearest receptor (increases to 500' in WCR or if rezoning to industrial required.)
  - Separate entrances for heavy-duty trucks on major roadways, per siting criteria
  - O Locate on-site drive aisles for heavy-duty trucks away from receptors
  - Any new logistics use within 900' of sensitive receptor must have 50' minimum buffer to fully screen project from receptors (i.e., walls, berms, landscaping, and trees). (Increases to 100' in WCR or if rezoning to industrial required.)

## AB 98 - Warehousing/Logistics Use Restrictions and Development Standards (cont'd)

- Truck control plan must be submitted prior to C of O, and revised for each new tenant.
- Housing replacement requirement (2:1 if existing housing demolished)
- Displacement assistance must be offered (min. 12 month rent subsidy).
- Exempted projects:
  - Already in entitlement process prior to September 30, 2024.
  - Received approval prior to the effective date of AB 98. Applies from approval through the development period.
  - o If no development occurs within five years of entitlement approvals, the protection would be waived.
  - O Logistics projects that are mixed-use developments that may create sensitive receptors on the sites of the new logistics use developments, but with no sensitive receptors within 900 feet of the loading bays.

## AB 98 - Circulation Element Updates: Truck Routes

### AB 98 requires circulation elements updates to all general plans to do the following:

- Identify and establish specific truck routes to safely accommodate additional truck traffic and avoid residential areas and sensitive receptors.
- Maximize use of interstate or state divided highways as preferred truck routes; or arterial roads, major thoroughfares, and predominantly commercially oriented local streets when state highways or interstate highways are not utilized
- Include requirements that logistics use projects shall be accessible by designated truck routes defined.
- Other prescriptive requirements . Examples:
  - Provision of "conspicuous" truck route signage
  - Make truck routes publicly available in GIS format and share maps w/ facility operators and truck drivers
  - Minimum public involvement requirements.

<u>Timing</u>: Cities and counties within the "warehouse concentration region" (WCR) would be required to update their circulation elements by January 1, 2026; or, by January 1, 2028 for those not in the WCR.

<u>Enforcement</u>: Attorney General may enforce circulation element updates, including up to \$50K fines every six months if updates have not been made; and funds to be awarded to local AQMDs.

## Break Time - Part 2 starts at 4:00 PM!

### Part 2 will cover:

**Housing:** ADUs, Density Bonus Law, Coastal Zone, Housing Element Updates and APRs, RHNA, streamlining, funding, Governor's Executive Orders (Infill Development and Homeless Encampments)

**CEQA:** New or modified exemptions, Little Hoover Commission report on CEQA reform

## PART 2

# 2024 Legislation Continued – Housing and CEQA

## Housing - ADUs

### **SIGNED BY THE GOVERNOR**

**AB 2533 (Carrillo)** Extends the ADU amnesty law to unpermitted ADUs and JADUs built before 2020, provides a process for homeowners to permit their unpermitted ADUs, and provides financial assistance to lower- and moderate-income households seeking to permit their unpermitted ADUs and JADU.

AB 3057 (Wilson) Expands an existing CEQA exemption for city or county adoption of an ordinance to facilitate ADUs to also include adoption of an ordinance facilitating JADUs.

SB 477 (Senate Housing Committee) Cleans up the ADU statutes.

**SB 1211 (Skinner)** Increases the allowable ADUs on a lot with an existing multifamily dwelling from no more than two detached ADUs, to no more than eight detached ADUs.

## Housing - Density Bonus

#### **SIGNED BY THE GOVERNOR**

**AB 2430 (Alvarez)** Prohibits a city, county, or city and county from charging a monitoring fee on a 100% affordable housing development using State Density Bonus Law (DBL) to ensure the continued affordability required under the law and any applicable local inclusionary housing ordinance if the units in the development are subject to a regulatory monitoring agreement with certain state agencies.

**AB 2694 (Ward)** Makes clear that Residential Care Facilities for the Elderly (RCFEs) qualify as senior citizen housing developments under DBL.

**AB 3116 (Garcia)** Makes numerous modifications to DBL related to student housing projects.

## Housing – Coastal Zone

#### **Didn't Move Forward**

**AB 2560 (Alvarez)** Would have provided that any density bonus, concessions, or incentives that a development project applicant is entitled to under DBL are permitted, to the extent that they do not result in significant adverse impacts to coastal resources and public coastal access and would have required all local governments in the coastal zone to amend their respective local coastal programs to harmonize DBL and the California Coastal Act.

**SB 1092 (Blakespear)** Would have required the Coastal Commission to provide a report to the Legislature regarding appeals to the Commission of local government decisions on coastal development permit applications.

#### **SIGNED BY THE GOVERNOR**

**SB 951 (Wiener)** Clarifies one of the bases to appeal a local jurisdiction's approval of a coastal development permit to the California Coastal Commission and authorizes local government notification of final action on a coastal development permit to the Commission by electronic mail, among other provisions.

**SB 1077 (Blakespear)** Requires the California Coastal Commission, in coordination with HCD, to develop and provide guidance for local governments to facilitate the preparation of amendments to a local coastal program to simplify the permitting process for ADUs and JADUs in the Coastal Zone.

## Housing - RHNA

AB 101 (2019) directed HCD to engage stakeholders and collaborate OPR to develop recommendations related to the RHNA process and methodology.

- APA California participated as a stakeholder in HCD's Sounding Board to inform report.
- HCD released their anticipated RHNA report in April 2024, California's Housing Future 2040:
   The Next Regional Housing Needs Allocation.
- Report informed two bills (below) and more to come in 2025

#### SIGNED BY THE GOVERNOR

**AB 3093 (Ward)** Creates two new income categories, Acutely Low Income (ALI) and Extremely Low Income (ELI), in the Regional Housing Needs Determination (RHND), Regional Housing Needs Allocation (RHNA), and Housing Element Law.

**SB 7 (Blakespear)** Makes several technical changes to HCD's regional housing needs determination process, along with COGs.

## Housing – Housing Element

#### SIGNED BY THE GOVERNOR

#### **AB 2597 (Ward)**

- Shortens the local government appeal period for the COG's RHNA allocation to 30 days from 45
- Extends Housing Element due date for all Los Angeles County and Imperial County jurisdictions by six months (24 months after RTP update rather than 18 months)

#### **SB 1037 (Wiener)**

- Creates new Gov. Code 65009.1 for AG or HCD enforcement of Housing Element adoption deadline or any state law requiring ministerial approval of a housing project
- Civil penalties of at least \$10,000 per month (up to \$50k) plus attorney's fees and costs for violations that are "arbitrary, capricious, entirely lacking in evidentiary support, contrary to established public policy, unlawful, or procedurally unfair"

## Housing – Housing Element

#### SIGNED BY THE GOVERNOR

#### AB 2023 (Quirk-Silva)

- Creates a rebuttable presumption that Housing Element is invalid if HCD finds that a local government's action or failure to act does not substantially comply with its adopted housing element
- Adjusts the rezoning deadline in Gov. Code 65583(c)(3) starting the 7th Cycle

#### **AB 1886 (Alvarez)**

- Creates new Gov. Code Sec. 65585.03 to limit finding of Housing Element substantial compliance to an HE that (1) HCD has found in substantial compliance; or (2) a court determines is in substantial compliance
- Makes local gov. subject to the "Builder's Remedy" until HCD or a court finds the HE is substantially compliant

#### SIGNED BY THE GOVERNOR

AB 1893 (Wicks) makes four main changes to the Housing Accountability Act:

- Expands the definition of a "housing development project"
- Introduces new affordability categories: lower, mixed-income, and moderate income households
- Expands the list of actions that constitute disapproval and can trigger an HAA violation
- Defines development standards applicable to Builder's Remedy projects (new projects and, at applicant's option, projects already complete)

- Expands the definition of a "housing development project"
  - Mixed-use can have as little as 50% of square footage designated for residential use if project:
    - Includes at least 500 net new units
    - Does not include transient lodging (hotel, motel, etc.)
  - o Includes farmworker housing as defined in HSC Sec. 50519
- Introduces new affordability categories
  - Housing for Lower Income Households: 100% affordable to lower income using HSC definition or TCAC rents for 55 years (rental) or 45 years (owner-occupied)
  - Housing for Mixed-Income Households:
    - 7% of of base density for ELI; OR
    - 10% of base density for VLI; OR
    - 13% of base density for LI; OR
    - Projects with 10 or fewer total units on a site smaller than 1 acre at min. density of 10 du/ac
  - O Housing for Moderate Income Households: 100% affordable to moderate income using HSC definition for 55 years (rental) or 45 years (owner-occupied)

- Expands the list of actions that constitute disapproval and can trigger an HAA violation
- Disapproval can take the form of a vote OR an administrative action and includes:
  - O Undertaking any course of conduct for improper purpose, e.g., to harass or to cause unnecessary delay or needless increases in the cost of the proposed housing development project
  - O Holding more than 5 hearings in violation of Gov. Code Sec. 65905.5
  - Finding application incomplete using standards NOT on application checklist
  - Requiring subsequent application submittals in include items NOT noted on first incomplete determination
  - o Finding application incomplete after appeal if reasonable person would find application complete (presumption that application compete after two resubmittals)
  - Requiring legislative approvals or extra approvals for Builder's Remedy projects

Defines development standards applicable to Builder's Remedy projects

- New affordability standards:
  - Projects can qualify as Lower Income or Moderate Income housing (as newly defined)
  - No affordability requirements for projects of 10 units or fewer
- Prohibits projects on sites that abut property where heavy industrial or Title V industrial uses have been more than ⅓ of square footage in last 3 years
- Defines density maximum of the greatest of:
  - o 50% greater than Mullin Density
  - o 3x the GP, zoning, or state law allowable density
  - o the Housing Element Density
- 35 du/ac bonus given to sites with ½-mile of a major transit stop, and density bonus is applicable
- Objective standards applicable, but subject to modification through density bonus
- Project must comply with minimum building standards approved by the California Building Standards Commission as provided in Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code

## Housing – Streamlining

#### **Didn't Move Forward**

**AB 2433 (Quirk-Silva)** Would have required a local agency to complete plan check services for a building permit within 30 business days of a request from an applicant or employ a private professional to perform plan checking services.

**AB 2934 (Ward)** Would have required HCD to convene a working group with specified stakeholders to research and consider recommendations for amendments to state building standards to allow residential developments of three to 10 units to be built under the California Residential Code.

#### **SIGNED BY THE GOVERNOR**

**AB 1413 (Ting)** Establishes a minimum 60-day timeframe in the Housing Accountability Act for local agencies to consider objections, comments, and evidence related to determining whether a HAA-protected housing development project is exempt from CEQA.

**AB 2243 (Wicks)** Expands and modifies the provisions of the Affordable Housing and High Road Jobs Act of 2022 and the Middle-Class Housing Act of 2022.

## Housing – Streamlining Continued...

#### **Vetoed by the Governor**

**AB 3068 (Haney)** Establishes the Office to Housing Conversion Act, creating streamlined, ministerial approvals process for adaptive reuse projects and providing certain financial incentives for the adaptive reuse of existing buildings.

#### **SIGNED BY THE GOVERNOR**

**AB 3122 (Kalra)** Revises certain aspects of SB 35/SB 423 (Wiener), including the threshold at which a local government can apply recently adopted objective planning standards when a development approved pursuant to SB 35/423 is modified post-entitlement.

**SB 450 (Atkins)** Amends the process established by SB 9 (Atkins) for the ministerial approval by a local agency of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels and make changes to the findings and declarations.

**SB 1123 (Caballero)** Requires local agencies to ministerially approve the subdivision of vacant, single-family lots to allow for up to 10 units and makes other changes to SB 684 (Caballero).

## Housing – Annual Progress Reports (APR) and Misc.

#### Didn't Make it to the Governor

**AB 2144 (Grayson)** Would have required local agencies to include evidence of compliance with a requirement to post on its website specified information, including schedules of fees related to housing development projects, all zoning and development standards, fee and financial reports, and archived impact fee studies.

**AB 2728 (Gabriel)** Would have required local agencies to include additional information on their annual progress reports regarding affordable housing projects on lands owned by religious institutions or higher education.

**SB 721 (Becker)** Would have required a local agencies to include in its APR the number of new and demolished "suite-style student housing quarters," and allows a local jurisdiction to count these units towards meeting its share of the regional housing need.

## Housing – APR and Misc. Continued...

#### SIGNED BY THE GOVERNOR

**AB 2580 (Wicks)** Requires local agencies to provide in its APR information regarding historic designations and the status of any housing development projects proposed for sites newly designated historic.

**AB 2667 (Santiago)** Makes changes to the APR related to the requirement to affirmatively further fair housing.

**AB 2904 (Quirk-Silva)** Requires local agencies to provide at least 20 days notice before the required public hearing on a proposed zoning ordinance or amendment to the zoning ordinance, if the proposed ordinance or amendment affects the permitted uses of real property.

## Housing – Funding

#### **Didn't Move Forward**

**AB 1657 (Wicks)** Would have enacted the Affordable Housing Bond Act of 2024, which would have authorized the sale of \$10 billion in general obligation bonds, upon approval by voters.

**SB 225 (Caballero)** Would have established the Community Anti-Displacement and Preservation Program at HCD to fund the acquisition and rehabilitation of unrestricted housing units and attach long-term affordability restrictions on the housing units.

#### **Vetoed by the Governor**

**AB 3160 (Gabriel)** Would have provided an additional allocation of \$500 million to the Low-Income Housing Tax Credit is not subject to an appropriation in the annual Budget Act for calendar years 2026 through 2030.

## Governor's Executive Order on Streamlining for Infill Development

- The Governor issued an Executive Order on July 31 to accelerate and streamline infill development projects statewide.
- The order is intended "help communities build thriving downtown cores, and new housing near transportation hubs and job centers — creating more housing options for Californians while further aligning the state's housing and climate goals."
- Directs the Governor's Office of Land Use and Climate Innovation (formerly OPR), California Department of Housing and Community Development (HCD), California State Transportation Agency (CalSTA), and the California Air Resources Board (CARB), among others, to work together to address key roadblocks in the development of infill housing.

## Governor's Executive Order on Addressing Homeless Encampments

- After the recent U.S. Supreme Court decision in *Grants Pass v Johnson*, which provides state and local governments have the authority to enforce policies to clear encampments from public streets, the Governor issued an Executive Order on July 25 ordering state agencies and departments to adopt clear policies that address homeless encampments.
- It also urges local governments to use funding provided by the state to take similar action.

### **CEQA**

#### **Didn't Move Forward**

**SB 1159 (Dodd)** Would have required OPR to evaluate, and the secretary of the Natural Resources Agency to consider, creating a categorical exemption from CEQA for roadside wildfire risk reduction projects no more than five road miles from a municipality or CDP.

#### **SIGNED BY THE GOVERNOR**

**AB 2091 (Grayson)** Establishes an exemption from CEQA for a change in use approved by a park district to allow public access for non-motorized recreation on preexisting roads, trails, and pathways owned or managed by the park district.

**AB 1359 (Papan)** Authorizes the DOC's Geologic Energy Management Division to delegate lead agency authority under CEQA for geothermal exploratory projects.

**AB 2199 (Berman)** Extends the January 1, 2025 sunset on CEQA exemption for multi-family residential and mixed-use housing projects on infill sites in unincorporated areas until January 1, 2032, and excludes projects that may cause a substantial adverse impact to tribal cultural resources.

## CEQA Continued...

#### **SIGNED BY THE GOVERNOR**

**AB 2503 (Lee)** Expands existing CEQA exemptions for transit projects to include public project for the institution or increase of zero-emission passenger rail service within an existing rail or highway right-ofway.

**SB 393 (Glazer)** Shifts the burden of demonstrating that posting a bond would place an undue economic hardship on the plaintiff from the defendant to the plaintiff in actions challenging certain low- or moderate-income housing projects.

**AB 3007 (Hoover)** Removes a requirement for county clerks and OPR and to maintain paper and electronic documents received from the California Department of Fish and Wildlife that make up the administrative record under CEQA.

### CEQA Continued...

#### **SIGNED BY THE GOVERNOR**

**SB 768 (Caballero)** Requires HCD to study how vehicle miles traveled (VMT) is used as a metric for measuring transportation impacts of housing projects pursuant CEQA.

**SB 1361 (Blakespear)** Exempts from CEQA any actions taken by local agencies related to contracting for services for people experiencing homelessness, including case management, resource navigation, security services, residential services, and counseling services.

**SB 1395 (Becker)** Provides additional exemptions from CEQA to certain actions regarding homeless shelters and makes changes to several laws governing the creation of certain types of homeless shelters.

# Little Hoover Commission Report on CEQA Reform

- The Little Hoover Commission examined CEQA and its impact on housing, land use, and other issues, and explored the present state of CEQA in practice through several hearings in 2023.
- The Commission issued a report in May of 2024, CEQA: Targeted Reforms for California's Core Environmental Law, and recommends six reforms to CEQA and five additional areas of study
- Expect this to inform 2025 legislation

## Little Hoover Report on CEQA Reform

#### Six areas recommended for "targeted" CEQA Reform. "The State/Legislature should..."

- 1. Strengthen the requirements needed to sue for alleged violations of the law, similar to the standing requirement of the National Environmental Protection Act (NEPA).
- 2. Limit the submission of public input that occurs after a public comment period.
- 3. Exempt all infill housing from CEQA review.
- 4. Provide funding for additional judicial training regarding CEQA.
- 5. Reaffirm that courts should show greater deference to statute and CEQA guidelines
- 6. Develop clearer parameters for significance thresholds and mitigation



## Questions?

Contact us via email: policy@apacalifornia.org