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# TRI-VALLEY TRANSPORTATION COUNCIL

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**Kathy Narum**  
**TVTC Chair**  
**Councilmember**  
Pleasanton  
(925) 931-5001

**Monday, April 15, 2019**  
**4:00pm**

**City of Pleasanton – Remillard Room**  
**3333 Busch Road, Pleasanton, CA 94566**

**Scott Perkins**  
**TVTC Vice-Chair**  
**Councilmember**  
San Ramon  
(925) 973-2530

**Patricia Munro**  
**Councilmember**  
Livermore  
(925) 960-4016

**Jean Josey**  
**Councilmember**  
Dublin  
(925) 833-6650

**Karen Stepper**  
**Councilmember**  
Danville  
(925) 275-2412

**Scott Haggerty**  
**Supervisor District 1**  
Alameda County  
(510) 272-6691

**Candace Andersen**  
**Supervisor District 2**  
Contra Costa County  
(925) 957-8860

The Tri-Valley Transportation Council meetings are wheelchair accessible. If you have any questions related to the Tri-Valley Transportation Council meeting agenda, please contact Cedric Novenario, TVTC Administrative staff at (925) 931-5667 or email at [cnovenario@cityofpleasanton.ca.gov](mailto:cnovenario@cityofpleasanton.ca.gov)

1. Call to Order, Roll Call, and Self Introductions
2. Public Comment
3. Consent Calendar
  - a. APPROVE February 11, 2019 TVTC Special Meeting Minutes (Action)\*
  - b. ADOPT TVTC Resolution 2019-02 and Approve a Funding Agreement to Appropriate TVTDF Funds for Reimbursement of Contra Costa Measure J Sales Tax Funds for the I-680 Southbound High Occupancy Vehicle Lane Gap Closure Project, Project B-10 (Action)\*
4. Old Business
  - a. DISCUSSION -Accessory Dwelling Unit/Secondary Dwelling Unit Fee
5. New Business
  - a. ADOPT TVTC Resolution 2019-01 and APPROVE the TVTC Fiscal Year 2019/20 Budget, as recommended by the TVTC Finance Subcommittee (Action)\*
  - b. ADOPT the Tri-Valley Transportation Development Fee Annual Construction Cost Index Increase (Action)\*
6. Other Business – None
7. Informational Item
  - a. Tri-Valley City Councils Housing and Policy Framework including Tri-Valley City’s Staff Reports
8. Adjournment

\* *Attachment(s)*

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# TRI-VALLEY TRANSPORTATION COUNCIL

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## Upcoming Meetings:

**TVTC TAC:** Wednesday, May 1, 2019, 10am, Pleasanton – 200 Old Bernal  
City Council Conference Room

**TVTC:** July 15, 2019, 4:00pm, Remillard Room – 3333 Busch Road,  
Pleasanton, CA 94566

Item 3a

## **SPECIAL MEETING MINUTES**

### **TRI-VALLEY TRANSPORTATION COUNCIL**

City of Pleasanton – Operations Services Department, Remillard Room  
3333 Busch Road, Pleasanton, CA 94566

Monday, February 11, 2019, at 4:00pm

#### **1) CALL TO ORDER, ROLL CALL, AND SELF-INTRODUCTIONS**

The Tri-Valley Transportation Council (TVTC) was called to order at 4:00 p.m. by the Chair, Councilmember Kathy Narum, City of Pleasanton.

##### **TVTC Members in Attendance:**

Kathy Narum, Chair, Councilmember, Pleasanton  
Scott Perkins, Vice-Chair, Councilmember, San Ramon  
Patricia Munro, Councilmember, Livermore  
Candace Andersen, Supervisor District 2, Contra Costa County  
Scott Haggerty, Supervisor, District 1, Alameda County  
Jean Josey, Councilmember, Dublin  
Karen Stepper, Councilmember, Danville

##### **TVTC Staff in Attendance:**

Cedric Novenario, City of Pleasanton  
Bob Vinn, City of Livermore  
Julie Chiu, City of Livermore  
Obaid Khan, City of Dublin  
Sai Midididdi, City of Dublin  
Andy Dillard, Town of Danville  
Colin Piethe, Contra Costa County  
Darlene Amaral, City of San Ramon

##### **Others in Attendance:**

Naree Chan, Meyers Nave, TVTC General Counsel

#### **2) PUBLIC COMMENT**

None

#### **3) CONSENT CALENDAR**

- a. Approve Meeting minutes from October 15, 2018
- b. Accept Y 2017/18 Annual Financial Report
- c. Accept FY 2017/18 Audit
- d. Review FY 2017/18 AB 1600 Mitigation Fee Act Report

Motion to Approve by Supervisor Andersen; Second by Supervisor Haggerty  
Approved (Ayes 7; Noes 0; Abstain 0)

#### **4) CONSENT CALENDAR**

None

#### **5) NEW BUSINESS**

- a. **DISCUSSION** on Secondary Dwelling Unit/Accessory Dwelling Unit (SDU/ADU)  
Fee

The TVTC Administrator described the Technical Advisory Committee began collecting ADU Fee data over the past two fiscal years to understand impacts on project funding. The TVTC Administrator also notified the board that cities in the Tri-Valley have formulated a response to the CASA Compact.

The Board began discussion on the impacts of the CASA Compact, SDU/ADU fees and AB 69 (Ting) and SB 13 (Wieckowski). Some board members took the position of supporting Element #4 of the CASA related to ADU procedures in an effort to support more housing. Other board members cautioned to follow the progression of the legislation as those details may change when/if those bills become law. The Board directed the TVTC Administrator to defer action, share the Tri-Valley Cities Housing and Framework Policy at the next Board Meeting, and continue collecting data on ADU Fees have been collected and number of ADU units have been built the last 2 years. This information will be shared at the next TVTC Board meeting in April.

#### **6) OTHER BUSINESS/ANNOUNCEMENTS**

- a. Correspondance – Receive Regional Transportation Planning Committees Memo from the Contra Costa Transportation Authority – January 16, 2019

Supervisor Haggerty asked if Alameda County Transportation Commission provides similar updates. The TVTC Administrator will check with ACTC and incorporate if available.

- b. Reminder – Form 700

The TVTC Administrator reminded the board to submit Form 700 by April 2, 2019.

#### **7) ADJOURNMENT**

The meeting was adjourned by Chair Narum at 4:32 p.m.

**Item 3b**

# TRI-VALLEY TRANSPORTATION COUNCIL

**Kathy Narum**  
**TVTC Chair**  
**Councilmember**  
Pleasanton  
(925) 931-5001

**Scott Perkins**  
**TVTC Vice-Chair**  
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Contra Costa County  
(925) 957-8860

**To:** Tri-Valley Transportation Council (TVTC)  
**From:** TVTC Finance Subcommittee (Finance Subcommittee)  
TVTC Technical Advisory Committee (TAC)

**Date:** April 15, 2019

**Subject:** Request to Appropriate \$6,490,000 Tri-Valley Transportation Development Fee Funds for the reimbursement of Contra Costa Measure J Sales Tax Funds advanced by the Contra Costa Transportation Authority for the construction of the Interstate 680 (I-680) Southbound (SB) High Occupancy Vehicle (HOV) Lane Gap Closure Project, (Project B-10) of the 2017 TVTC Strategic Expenditure Plan and Approve the Associated Funding Agreement.

## BACKGROUND

The Tri-Valley Transportation Council (TVTC) adopted the Tri-Valley Transportation Plan/Action Plan (TVTP/AP) for Routes of Regional Significance in 1995. The TVTP/AP was later updated in 2000, 2009, 2014 and 2017. The Plan is a mutual understanding and agreement on Tri-Valley transportation concerns and recommendations for improvements. The Plan also identifies specific regional transportation improvements for funding and implementation.

In 1998, through a Joint Exercise Powers Agreement (JEPA), the seven member agencies that comprise the TVTC approved the Tri-Valley Transportation Development Fee (TVTDF) program. The TVTDF is intended to allocate fair share costs for the regional improvement projects identified in the TVTP/AP.

In 1999, the TVTC adopted the Strategic Expenditure Plan (SEP), which identified priorities, project sponsors, and funding for TVTDF projects. The SEP specifically established a funding plan for 11 regional transportation projects. The SEP was updated in 2004 along with an interim fee adjustment. In 2008, a TVTC Fee Nexus Study Update (Study) was adopted. The Study identified 22 projects, of which included the 11 originally identified projects (List A) and 11 new projects (List B). Subsequent to the 2008 adoption of the Study, on May 16, 2011 the TVTC adopted the SEP Update and a new TVTDF Funding Plan, which expands the list of projects to include the List A and List B projects. In early 2017, the TVTC Strategic Expenditure Plan was again updated. The I-680 Southbound HOV Lane Gap Closure (North Main Street to Rudgear Road) is one of the projects in the 2017 Strategic Expenditure Plan Update (Project B-10 Attachment C).

# TRI-VALLEY TRANSPORTATION COUNCIL

## DISCUSSION

The I-680 Southbound HOV Lane Gap Closure would close the HOV lane gap between North Main Street and Rudgear Road to provide a continuous HOV lane from the Benicia-Martinez Bridge to the Contra Costa/Alameda County line in the southbound direction.

The project will encourage carpooling, vanpooling and transit while providing the necessary infrastructure for express buses in the corridor. The project is combined with the Express Lane Conversion project during construction to enable the lane to open as an Express Lane upon completion. By combining the projects during construction, it allows for efficiencies and cost savings for the projects as well as minimizing disruption to the traveling public.

The Contra Costa Transportation Authority (CCTA) is responsible for the administration and oversight of the project. The Gap Closure portion of the combined project is being funded with: \$15.557 million in State Transportation Improvement Program (STIP) funds, \$13.973 million in Regional Measure 2 (RM2) funds, \$5.952 million in BAIFA (Bridge Toll) funds, \$30.465 million in Measure J (Contra Costa Sales Tax) funds and \$6.49 million TVTDF funds being fronted with Measure J funds. The \$6.49 million of TVTDF funds are currently programmed in for the project in FY2023/24 and 2024/25. CCTA is requesting appropriation and approval of the funding agreement now so that project invoicing can be expedited once TVTDF funds are available in FY2023/24 and 2024/25.

The combined project has started construction. The main work for the Gap Closure portion of the combined project will start late this spring. The project is anticipated to finish construction by 2021.

## RECOMMENDATION

*Adopt a Resolution Appropriating \$6,490,000 in TVTDF Funds for the Purpose of Reimbursement of Measure J Funds Advanced for the Construction of the I-680 SB HOV Lane Gap Closure Project and Approving a Funding Agreement between the Contra Costa Transportation Authority, City of San Ramon and the Tri-Valley Transportation Council to effectuate such reimbursement and Authorizing the Tri-Valley Transportation Council Chair to Execute said Funding Agreement.*

## ATTACHMENTS

- A – Resolution No. 2019-02  
Exhibit 1-- Funding Agreement 04.15.19
- B. – 2017 TVTDF Funding Plan
- C.– I-680 SB HOV Lane Gap Closure Fact Sheet



**TRI-VALLEY TRANSPORTATION COUNCIL**

**RESOLUTION NO. 2019-02**

**A RESOLUTION OF THE TRI-VALLEY TRANSPORTATION COUNCIL  
APPROPRIATING \$6,490,000 IN TRI-VALLEY TRANSPORTATION  
DEVELOPMENT FEE (TVTDF) FUNDS FOR THE PURPOSES OF REIMBURSEMENT OF  
CONTRA COSTA MEASURE J SALES TAX FUNDS ADVANCED BY THE CONTRA  
COSTA TRANSPORTATION AUTHORITY FOR THE CONSTRUCTION OF THE  
INTERSTATE 680 (I-680) SOUTHBOUND (SB)  
HIGH OCCUPANCY VEHICLE (HOV) LANE GAP CLOSURE PROJECT AND APPROVING THE  
ASSOCIATED FUNDING AGREEMENT**

**WHEREAS**, in 1995, the Tri-Valley Transportation Council (TVTC) adopted the “Tri-Valley Transportation Plan/Action Plan (TVTP/AP) for Routes of Regional Significance; and

**WHEREAS**, the TVTP/AP identified 11 specific transportation improvements to be given high priority for funding; and

**WHEREAS**, in 1998, the TVTC, and the City of San Ramon (SAN RAMON) entered into a Joint Exercise Powers of Agreement (JEPA) to provide authority to collect a Tri-Valley Transportation Development Fee (TVTDF) to collect impact fees for the traffic mitigation to be applied to the 11 high priority projects; and

**WHEREAS**, in 1999, the TVTC prepared and approved a Strategic Expenditure Plan (SEP), which guides the expenditure of revenue collected from TVTDF; and

**WHEREAS**, the SEP identifies priorities, project sponsors, and funding for TVTDF projects; and

**WHEREAS**, in 2004, the TVTC adopted an update to the SEP that reflected an update to the regional and sub-regional transportation outlook for the Tri-Valley; and

**WHEREAS**, in 2011, the TVTC prepared and approved the 2011 TVTDF Funding Plan that provides guidance for expenditure of the TVTDF on 22 projects (List A and List B) including I-680 SB HOV Gap Closure (Project B-10); and

**WHEREAS**, the 2017 Strategic Expenditure Plan Update programmed \$3.00 million in fiscal year 2023/24 and \$3.49 million in fiscal year 2024/25 for a total of \$6.49 million to the I-680 SB HOV Gap Closure (Project B-10); and

**WHEREAS**, the City of San Ramon (City) , the Contra Costa Transportation Authority (AUTHORITY), and the TVTC desire to enter into a funding agreement for purposes of reimbursing the AUTHORITY for advancing Measure J funds for the construction of the I-680 SB HOV Gap Closure (Project B-10); and

**WHEREAS**, construction of the I-680 SB HOV Gap Closure (Project B-10) began in 2018 and is anticipated to be complete by 2021; and

**WHEREAS**, Authority will request project reimbursement beginning in fiscal years 2023/24 and 2024/25 or sooner if available.

**NOW THEREFORE, BE IT RESOLVED** as follows:

1) The TVTC authorizes an appropriation from the TVTDF account for the I-680 SB HOV Gap Closure (Project B-10) of \$6,490,000, as programmed in the Strategic Expenditure Plan and the TVTDF Funding Plan for fiscal years 2023/24 and 24/25 or sooner if funds are available.

2) The TVTC authorizes the TVTC Treasurer to transmit \$6,490,000, in funds in the TVTDF account to the CITY, the project sponsor for the I-680 SB HOV Gap Closure Project (Project B-10).

3) The City will transmit \$6,490,000, in funds to the Authority, the party responsible for the management and construction of the I-680 SB HOV Gap Closure (Project B-10).

4) The Tri-Valley Transportation Council approves the Funding Agreement, in substantially the same form as attached hereto and incorporated herein as Exhibit 1 subject to review and approval of the TVTC General Counsel, between the Contra Costa Transportation Authority, City of San Ramon and the Tri-Valley Transportation Council for reimbursement of Measure J Funds Advanced for the Construction of the I-680 SB HOV Lane Gap Closure Project and authorizes the Tri-Valley Transportation Council Chair to execute the Funding Agreement.

5) The Tri-Valley Transportation Council authorizes any related action to further the intent of this Resolution.

**PASSED, APPROVED AND ADOPTED** at the meeting of April 15, 2019, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Councilmember Kathy Narum, Chair  
Tri-Valley Transportation Council

ATTEST:

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Cedric Novenario, TVTC Administrative Staff

EXHIBIT 1  
FUNDING AGREEMENT

**FUNDING AGREEMENT 04.15.19  
BETWEEN  
THE CONTRA COSTA TRANSPORTATION AUTHORITY,  
THE CITY OF SAN RAMON, AND  
THE TRI-VALLEY TRANSPORTATION COUNCIL  
FOR THE REIMBURSEMENT OF MEASURE J FUNDS ADVANCED FOR THE CONSTRUCTION OF  
THE INTERSTATE 680 (I-680) SOUTHBOUND (SB)  
HIGH OCCUPANCY VEHICLE (HOV) LANE GAP CLOSURE PROJECT**

This AGREEMENT is made and entered into as of \_\_\_\_\_ by and between the Contra Costa Transportation Authority (AUTHORITY), the City of San Ramon (SAN RAMON), and the Tri-Valley Transportation Council (TVTC).

RECITALS

- A. WHEREAS, SAN RAMON, as one of the members of the TVTC, is a signatory to the Joint Exercise of Powers Agreement Pertaining to the Tri-Valley Transportation Development Fee (TVTDF) for Traffic Mitigation; and
- B. WHEREAS, SAN RAMON has cooperatively participated in the development and adoption of the Tri-Valley Transportation Plan/Action Plan for Routes of Regional Significance (TVTP); and
- C. WHEREAS, the I-680 SB HOV Lane Gap Closure project from North Main Street to Rudgear Road (Project) is one of the projects in the TVTP; and
- D. WHEREAS, the Project is one of the "B List" projects in the 2017 Strategic Expenditure Plan Update - Project B-10, adopted unanimously by the TVTC on January 23, 2017; and
- E. WHEREAS, the 2017 Strategic Expenditure Plan Update programs \$6.49 million over the course of FY 2023/24 through FY 2024/25 for the Project or sooner if funds are available; and
- F. WHEREAS, SAN RAMON serves as the TVTC Project Sponsor of the Project identified in the 2017 Strategic Expenditure Plan Update; and
- G. WHEREAS, the AUTHORITY sponsored and obtained environmental clearance for the Project in July 2014; and
- H. WHEREAS, construction of the Project is estimated at \$81.69 million, to be funded by \$30.4 million in Measure J funds, \$14.1 million in Regional Measure 2 (RM2) funds, \$15.6 million in State Transportation Improvement Program (STIP) funds, \$15.1 million in Bay Area Infrastructure Financing Authority (BAIFA) funds, leaving a Project shortfall in funding of \$6.49 million; and

- I. WHEREAS, the AUTHORITY is willing to advance the Project shortfall of \$6.49 million using Measure J funds until the TVTDF funds are available in order of project priority listed in the 2017 Strategic Expenditure Plan Update; and
- J. WHEREAS, the AUTHORITY has managed the preparation of Plans, Specifications and Estimates (PS&Es) and is sponsoring and managing the Project; and
- K. WHEREAS, the AUTHORITY has retained a contractor and will manage and administer the construction of the Project; and
- L. WHEREAS, using TVTDF funds, SAN RAMON wishes to reimburse the AUTHORITY for the \$6.49 million in Measure J funds advanced to cover the funding shortfall in accordance with the terms and conditions set forth herein; and
- M. WHEREAS, as a member of the TVTC, SAN RAMON intends to ensure that funds set aside for Project in the TVTDF Funding Plan are appropriated as expeditiously as feasible for the Project;

**NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:**

SECTION I

AUTHORITY AGREES:

- A. To commit \$36.89 million in Measure J funds to construction of Project, which includes the \$6.49 million advance to cover the shortfall until TVTDF funds are available.
- B. To administer and construct the Project, in accordance with Authority policy.
- C. In order to be reimbursed for the \$6.49 million of Measure J funds advanced for the Project, to provide appropriate paperwork to SAN RAMON for reimbursement from TVTDF funds, , which are scheduled to become available for the Project in FY 2023/24.
- D. To submit an invoice to the TVTC (care of SAN RAMON) for TVTDF funds in the amount of \$6.49 million for the purpose of obtaining reimbursement of Measure J funds advanced for construction of the PROJECT. AUTHORITY shall deliver or mail the invoice to TVTC as follows:

San Ramon  
Attn: Lisa Bobadilla, Division Manager  
Transportation Division  
2401 Crow Canyon Road  
San Ramon, CA 94583

SECTION II

SAN RAMON AGREES:

- A. To be responsible for taking all action necessary to obtain the disbursement of TVTDF funds from TVTC directly to the AUTHORITY in the amount of \$6.49 million in accordance with the TVTDF funding plan in order to reimburse the Authority for Measure J funds advanced and expended on the PROJECT for construction.

TVTC AGREES:

- A. Upon receipt of invoice from the AUTHORITY, to remit payment of \$6.49 million in TVTDF funds directly to the AUTHORITY for the reimbursement of Measure J funds advanced for construction of PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

- A. This AGREEMENT constitutes the entire agreement between the parties regarding the subject matter hereof and any oral discussions or written or oral agreements with respect thereto preceding the effective date of this AGREEMENT are superseded hereby. No amendment, alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
- B. AUTHORITY, TVTC, and SAN RAMON each render their services under this AGREEMENT as independent agencies. None of the agents or employees of each of the parties shall be deemed agents or employees of the other parties.
- C. Any notice given under this AGREEMENT shall be in writing and shall be deemed given if delivered personally or mailed by registered or certified mail or commercial overnight courier, return receipt or confirmation of delivery requested, or by facsimile transmission with voice confirmation of receipt, the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

If to San Ramon:

Lisa Bobadilla  
Transportation Manager  
2401 Crow Canyon Road  
San Ramon, CA 94583

If the Authority:

Contra Costa Transportation Authority  
2999 Oak Road, Suite 100  
Walnut Creek, CA 94597  
Attention: Susan Miller, Director, Projects

If to TVTC:

Tri-Valley Transportation Council  
200 Old Bernal Ave  
P.O. Box 520  
Pleasanton, CA 94566  
Attention: Cedric Novenario, TVTC Administrator

This AGREEMENT is made as of the date first set forth above.

**CITY OF SAN RAMON**

**CONTRA COSTA  
TRANSPORTATION AUTHORITY**

\_\_\_\_\_  
Bill Clarkson, Mayor

\_\_\_\_\_  
Robert Taylor, Chair

ATTEST:

ATTEST:

\_\_\_\_\_  
Christina Franco, City Clerk

\_\_\_\_\_  
Tarienne Grover, Clerk of the Board

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Martin Lysons, City Attorney

\_\_\_\_\_  
Malathy Subramanian, Authority Counsel

**TRI-VALLEY TRANSPORTATION COUNCIL**

\_\_\_\_\_  
Kathy Narum, Chair

ATTEST:

Approved as to form:

\_\_\_\_\_  
Cedric Novenario, TVTC Administrator

\_\_\_\_\_  
Steven Mattas, TVTC Counsel

**Table 4 – List of B Projects in TVTC 2017 SEP**

	<b>Project Recommended Funding</b>	<b>Funding Strategy</b>
B-1	I-580/I-680 Interchange (westbound to southbound)  \$1.00 Million in FY 18/19	Funding is programmed to begin project development/scoping.
B-4	I-580/Vasco Road Interchange Modification  \$1.00 Million in FY 18/19 \$1.50 Million in FY 19/20 \$4.30 Million in FY 20/21	Funding is programmed for project development activities including environmental assessment and design.
B-8	Camino Tassajara/Tassajara Road Widening Project (East of Blackhawk Drive to North Dublin Ranch Drive) (Safety Improvement Project)  \$3.70 Million in FY 18/19	Funding is programmed for the estimated costs for the PS&E and Construction.
B-8	Camino Tassajara/Tassajara Road Widening Project (East of Blackhawk Drive to North Dublin Ranch Drive) (Roadway Widening Project)  \$2.68 Million in FY 18/19	Funding is programmed for the estimated costs for the PS&E and Construction.
B-10	I-680 Southbound HOV Lane Gap Closure (North Main Street to Rudgear Road)  \$3.00 Million in FY 23/24 \$3.49 Million in FY 24/25	Funding is programmed for partial payment towards unfunded construction costs.
B-11b	I-680 Transit Corridor Improvements  \$2.00 Million in FY 25/26	Funding is programmed for partial payment towards operational improvements to facilitate carpools and increase transit use and to implement high capacity transit improvements along the corridor. Improvements may also include advanced traffic management programs and/or autonomous connected vehicles.

Table 4 only includes projects that have TVTDF funds programmed in the 2017 SEP Update 10-year horizon (FY 16/17 – FY 25/26)

**Table 5** provides a summary of estimated TVTDF revenues throughout the 10-year SEP horizon, project funding allocations, and the overall fund balance to prevent overdrawing the account. The funding plan balances the Project Readiness, Project Funding, and Project Effectiveness to prioritize projects to attract federal or state funds, or to move the project to the next stage.

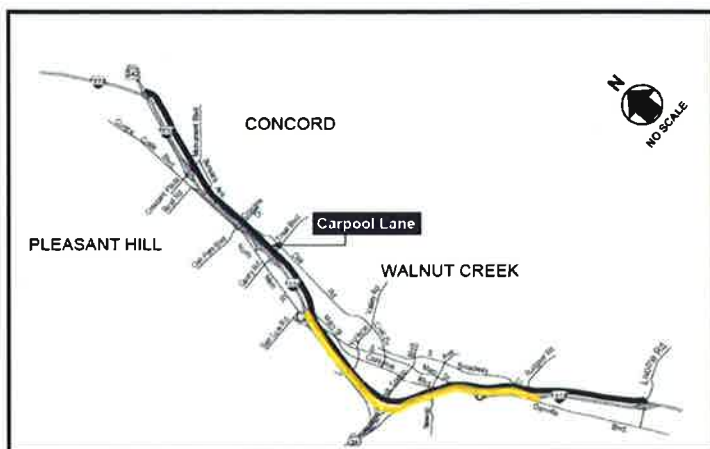


Table 5 - 2017 TYDF Funding Plan

PROJECTS	TYDF SPONSOR/LEAD AGENCY	Previous Disbursements										Projected Disbursement									
		Pre 2011	Funding amount identified in 2011 SEP Update	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	TOTAL	
Remaining Local Account		\$ 2.00	\$ 0.58																		
Administrative Costs		\$ 0.37	\$ 0.58																		
Alameda County/Caltrans		\$ 5.65	\$ -																		
Livermore/Caltrans & Alameda CTC		\$ 11.06	\$ 22.84			\$ 7.94	\$ 5.00														
Livermore/Caltrans & Livermore		\$ 5.15	\$ 5.15																		
Daly City/CTA		\$ 12.00	\$ 5.68																		
Dublin & Pleasanton/BART		\$ 4.00	\$ -																		
Pleasanton/Alameda CTC		\$ 5.00	\$ 1.10	\$ 1.10																	
Pleasanton/Alameda CTC		\$ -	\$ -																		
Pleasanton/Caltrans & Alameda CTC		\$ 1.60	\$ -																		
Pleasanton/Caltrans		\$ 1.60	\$ 0.75																		
San Ramon/Caltrans		\$ 1.60	\$ 0.75																		
Alameda County		\$ 1.95	\$ 1.95																		
Alameda County		\$ 1.69	\$ 1.69																		
Alameda County		\$ 3.32	\$ 3.32																		
Alameda County		\$ 2.58	\$ 2.58																		
Alameda County		\$ 0.14	\$ 0.14																		
Dublin/AVTA		\$ 42.81	\$ 45.10	\$ 5.10	\$ -	\$ 7.94	\$ 5.00	\$ 16.82													
Dublin/Alameda CTC		\$ -	\$ -																		
Pleasanton/Livermore		\$ -	\$ -																		
Livermore/Caltrans		\$ 4.80	\$ -																		
Livermore/Caltrans		\$ -	\$ -																		
Livermore		\$ -	\$ -																		
Pleasanton		\$ -	\$ -																		
Contra Costa County & Dublin		\$ 1.70	\$ 1.70																		
Contra Costa County & Dublin		\$ 2.68	\$ 2.68																		
San Ramon/CTA		\$ 5.49	\$ 5.49																		
San Ramon/CTA		\$ -	\$ -																		
San Ramon/CTA		\$ -	\$ -																		
Sub-Total B		\$ 46.40	\$ 14.67	\$ 1.10	\$ -	\$ 7.94	\$ 5.00	\$ 16.82													
Total		\$ 46.40	\$ 14.67	\$ 1.10	\$ -	\$ 7.94	\$ 5.00	\$ 16.82													

1. Project is complete and is not considered for further funding.  
 2. \$1.70 Million to be used in Contra Costa County, \$2.0 Million to be shared by Contra Costa County and City of Dublin for project segment between Windemere Parkway and Miller Ranch (Pallisades Drive).  
 3. \$2.68 Million to be used in Contra Costa County.  
 4. Project has been eliminated from funding plan.

## B-10. I-680 SOUTHBOUND HOV LANE GAP CLOSURE (NORTH MAIN STREET TO RUDGEAR ROAD)



### TVTC PROJECT SPONSOR

City of San Ramon

### LEAD AGENCY

CCTA

### OTHER INVOLVED PARTIES

Caltrans

### PROJECT DESCRIPTION (UPDATED SPRING 2016)

Project B-10 is located along southbound I-680 between North Main Street and Rudgear Road. The project would close the HOV lane gap along this segment of I-680 and provide a continuous HOV lane from the Benicia-Martinez Bridge to the Contra Costa/Alameda County line.

The project is necessary to encourage carpooling, vanpooling, and transit; while providing the necessary infrastructure for express buses in the corridor. When completed, the HOV lane is planned to be converted to an Express Lane as part of the I-680 Express Lanes Project.

### STATUS

Environmental clearance for the southbound HOV Lane Completion was completed on August 12, 2014.

Design work on the I-680 southbound HOV Lane Completion started in March 2015.

### PHASING AND SCHEDULE

Construction is expected to start in 2018 and completed in 2020.

## COST ESTIMATE AND FUNDING SOURCES

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<b>Cost (Millions, 2015)</b>	<b>\$81.70</b>
Funding (Millions, 2015)	
RM2	\$14.1
Measure J	\$30.4
STIP/RP	\$15.6
BAIFA	\$15.1
TVTDF	\$6.49
<b>Total Funding (Millions, 2015)</b>	<b>\$81.69</b>
<b>Total Funding Shortfall (Millions, 2015)</b>	<b>\$0.01</b>

Item 4a

# TRI-VALLEY TRANSPORTATION COUNCIL

**Kathy Narum**  
**TVTC Chair**  
**Councilmember**  
Pleasanton  
(925) 931-5001

**To:** Tri-Valley Transportation Council (TVTC)  
**From:** TVTC Technical Advisory Committee (TAC)  
**Date:** April 15, 2019

**Scott Perkins**  
**TVTC Vice-Chair**  
**Councilmember**  
San Ramon  
(925) 973-2530

**Subject:** DISCUSSION on Accessory Dwelling Units/Secondary Dwelling Unit Fee

**Patricia Munro**  
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## BACKGROUND

The general definition of an Accessory Dwelling Unit (ADU) or a Secondary Dwelling Unit (SDU) is an attached or detached residential dwelling unit that provides independent living facilities for one or more persons. A unit includes facilities for living, sleeping, eating, cooking and sanitation on the same lot as the single-family dwelling is situated. ADU/SDU's can be occupied by members of the same family. With the impact of housing in the Bay Area, ADU/SDU's are increasingly being used as rental property.

In January 2019, CASA – The Committee to House the Bay Area released several recommendations in an effort to reduce barriers to housing. One of these recommendations is the “CASA Compact Element #4: Remove Regulatory Barriers to Accessory Dwelling Units.” This recommendation is to remove regulatory barriers to ADUs for the intent of creating additional housing within their neighborhoods. Two legislative bills were created to support this recommendation. These two bills are AB 69 (Ting) and SB 13 (Wieckowski). The bills have been referred to the Commission on Housing and Community Development and the Commission on Rules in January 2019, respectively.

The Tri-Valley Cities of Dublin, Livermore, Pleasanton, San Ramon and the Town of Danville developed a joint Housing and Policy Framework in late February 2019. This framework was developed as a collaborative response and statement to the CASA Compact. Subsequently, each Tri-Valley agency adopted a resolution supporting the Housing and Policy Framework.

The TVTC Board requested the TAC provide the number of units built and fees collected for ADU the past two years.

# TRI-VALLEY TRANSPORTATION COUNCIL

## DISCUSSION

Over the past two fiscal years, the TVTC collected approximately \$289,000 in TVTD fees for 151 ADUs. The total TVTD Fee revenue collected during the past two fiscal years was approximately \$18,750,400. The amount of ADU fees collected is 1.5% of that total. As a comparison, the fund projection timeline estimated the TVTD Fee revenue would be \$17,065,278.

At this stage, the CASA Compact is a high-level plan to address housing issues by removing barriers to housing in the San Francisco Bay Area. As previously mentioned, the Tri-Valley Cities developed and accepted the Housing and Policy Framework. As it relates to ADUs, the Framework proposes:

- Remove Regulatory Barriers to Accessory Dwelling Units (ADUs): Extend existing state law to allow ADUs on single family lots and multiple ADUs in existing multi-family buildings with ministerial approval.
- Forgives code violations in grandfathered ADUs. Impact fees to be based on a square foot basis and only on net new living area >500 SF.

The Tri-Valley Cities supported this and propose expansion of the element to include:

- Extending the fee limitation/reduction to **all** pass-through fees (including utility connection fees and school district fees), provided that the fees remain proportionate to impacts generated.
- Developing standardized ADU permit plans in a range of sizes, pre-approved at the State level, allowing for minimal local plan check requirements (reduced plan check time offsets fee limitations).
- Allowing cities to count, by right, ADUs that are “affordable by design” in the RHNA process (examples: count  $\leq$  550 SF ADU as “Low” and 551-1,000 SF ADU as “Moderate” income units).
- Advocate for standardized Building Codes for ADUs Ensure existing structures are brought up to Code for legitimate Health and Safety reasons.

All Tri-Valley Cities have indicated they will be monitoring housing legislation and will re-engage with decision makers to develop responses on issues that have an impact to their community. The TVTC TAC will monitor developing housing legislation, as well. Any housing legislation changes will be incorporated in the TVTCs upcoming Administrative Guidance for Development Fee and Nexus Study.

# TRI-VALLEY TRANSPORTATION COUNCIL

## **RECOMMENDATION**

TVTC Administrator requests direction from the TVTC Board.

Item 5a



# TRI-VALLEY TRANSPORTATION COUNCIL

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**To:** Tri-Valley Transportation Council (TVTC)  
**From:** TVTC Finance Subcommittee (Finance Subcommittee)  
TVTC Technical Advisory Committee (TAC)  
**Date:** April 15, 2019  
**Subject:** Tri-Valley Transportation Council Fiscal Year (FY) 2019/20  
Annual Administrative Budget

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## BACKGROUND

The TVTC Joint Exercise of Powers Agreement (JEPA) requires the TVTC prepare and adopt an operating budget (Section 5.b.iii.). The TVTC Administrator shall prepare the budget with input from the Treasurer and the TVTC Finance Subcommittee for review and approval by the Council.

The 2015 Bylaws delineates the TVTC's right to adopt an annual budget for administrative costs, authorizes the budget to include costs for stipends, administration, general counsel, treasurer, auditor, and insurance, and approves other administrative expenses with specific signature authority. The Bylaws also state that the TVTC shall adopt a budget for administrative costs annually prior to July 1 of each year and that the TVTC may revise the budget from time to time within a fiscal year. Additionally, the Bylaws preclude a deficit administrative budget and does not allow the TVTC to make any unbudgeted expenditures. The adoption of an annual administrative budget, or any revisions, shall require a vote of a supermajority of five.

In January 2018, the TVTC adopted an Administrative Expenses policy to ensure sufficient annual funding for administrative and non-project specific expenses. Pursuant to this policy, the TVTC shall:

1. Create and adopt an annual administrative budget per the TVTC Bylaws based on anticipated need, not based on a specific percentage of anticipated or actual Tri-Valley Transportation Development Fee (TVTDF) revenue.
2. The annual administrative budget shall identify the percentage of anticipated TVTDF funds allocated to administrative expenses.
3. The annual administrative budget shall report the final dollar amount of administrative expenditures budgeted and spent in the prior fiscal year.

# TRI-VALLEY TRANSPORTATION COUNCIL

4. The annual administrative budget shall include expenses for special studies and efforts. This allows the TVTC to allocate funds to non-project specific administrative expenses on an annual basis, as necessary to carry out the purpose for which the fee was collected.
5. Subsequent Strategic Expenditure Plans and Nexus Studies shall calculate and set-aside an average 1% of anticipated impact fee revenue as a relative guide to reserve funds for administrative expenses. The administrative budget is not required to be at or less than the 1% set-aside.

## DISCUSSION

The proposed the TVTC FY 2019/20 Administrative Budget is \$166,000 (Exhibit A), and accounts for approximately 3% of the anticipated \$5.57 million in FY 2019/20 TVTD Fees. The proposed Administrative Budget includes the following expenses:

### Administrative Expenses (\$56,000)

1. TVTC Administrator
2. Accounting Services
3. Audit Services
4. Legal Services
5. Treasurer Oversight
6. Insurance
7. Basecamp
8. Banking/Service Charges
9. Website Hosting and Maintenance
10. Board Member Stipends

### Special Studies and Efforts- Non-Project Specific Administrative Expenses (\$110,000)

1. Administrative Guidance for Development Fee
2. Begin Work on the Nexus Study and Strategic Expenditure Plan (full cost of effort approximately \$250,000 to be allocated over multiple fiscal years)

The TVTC Finance Subcommittee convened and reviewed the proposed FY 2019/20 Administrative Budget on March 25, 2019. The Finance Subcommittee recommends the TVTC Board approve the FY 2019/20 Administrative Budget. All expenses will be reviewed and can be adjusted, if necessary, throughout the year.

## PRIOR FISCAL YEAR ADMINISTRATIVE EXPENSES

In accordance with Administrative Expenses Policy, the following chart summarizes administrative expenditures budgeted and spent in FY 2017/18 (information for FY 2018/19 is not yet available):

Fiscal Year	Approved Budget	Actual Expenses	Anticipated 1% of the TVTDF	Actual 1% of the TVTDF
FY2017/18	\$55,500	\$45,922	\$58,600	\$70,238.14

# TRI-VALLEY TRANSPORTATION COUNCIL

## **RECOMMENDATION**

The TVTC Finance Subcommittee recommends the TVTC ADOPT Resolution 2019-01 and APPROVE the TVTC Fiscal Year 2019/20 Administrative Budget.

## **ATTACHMENTS:**

1. Resolution 2019-01

Exhibit A: TVTC Fiscal Year 2018/19 Administrative Budget

**TRI-VALLEY TRANSPORTATION COUNCIL  
RESOLUTION NO. 2019-01**

**A RESOLUTION ADOPTING THE TRI-VALLEY TRANSPORTATION COUNCIL  
FISCAL YEAR 2019/2020 ADMINISTRATIVE BUDGET**

**WHEREAS**, on October 18, 2013, the Tri-Valley Transportation Council (TVTC), consisting of the County of Alameda, the County of Contra Costa, the Town of Danville, the City of Dublin, the City of Livermore, the City of Pleasanton, and the City of San Ramon, entered into a Joint Exercise of Powers Agreement (JEPA) effectively establishing TVTC as a separate public entity duly organized and existing under the Constitution and other laws of the State of California; and

**WHEREAS**, the JEPA establishes: 1) a framework for TVTC to enact a development fee necessary for implementation of transportation improvements; 2) funding goals for transportation improvements; 3) mechanisms for collecting, managing and disbursing development fees for implantation of transportation improvements; and 4) facilitation of cooperative regional planning efforts through adoption and implementation of regional transportation plans, the Strategic Expenditure Plan and fee program;

**WHEREAS**, the JEPA under section 5(b)(iii) authorizes TVTC to prepare and adopt a budget for TVTC's administrative functions; and

**WHEREAS**, in 2015 the TVTC adopted Bylaws (Bylaws) that delineate the TVTC's right to adopt an annual budget for administrative costs, authorizes the budget to include costs for stipends, administration, general counsel, treasurer, auditor, and insurance, and approves other administrative expenses with specific signature authority; and

**WHEREAS**, the Bylaws do not specify a percentage or dollar amount for administrative costs, but state that the TVTC may not approve a deficit spending administrative budget nor make any unbudgeted expenditures; and

**WHEREAS**, the Bylaws state that the TVTC shall adopt a budget for administrative costs annually prior to July 1 of each year and that the TVTC may revise the budget from time to time within a fiscal year; and

**WHEREAS**, the Bylaws state that the adoption of an annual administrative budget, or any revisions, shall require a vote of a supermajority of five; and

**WHEREAS**, in January 2018, the TVTC adopted an Administrative Expenses policy to ensure sufficient annual funding for administrative and non-project specific expenses, in order to effectively carry out the purpose for which the fee is collected; and

**WHEREAS**, the Administrative Expenses Policy allows the TVTC to create and adopt an annual administrative budget per the TVTC Bylaws based on anticipated need, not

based on a specific percentage of anticipated or actual Tri-Valley Transportation Development Fee (TVTDF) revenue; and

**WHEREAS**, the Fiscal Year 2019/2020 administrative budget will be reviewed and adjusted, if necessary, prior to adoption of the next fiscal year budget; and

**WHEREAS**, TVTC annually reviews and approves the Treasurer's Financial Status Report showing cumulative revenues and disbursements.

**NOW THEREFORE BE IT RESOLVED THAT:**

The TVTC adopts the Fiscal Year 2019/2020 administrative budget as recommended by the TVTC Financial Subcommittee, attached hereto and incorporated herein as Exhibit A.

**PASSED, APPROVED AND ADOPTED** at the meeting of April 15, 2019, by the following votes:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Kathy Narum, Chair  
Tri-Valley Transportation Council

**ATTEST:**

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Cedric Novenario, TVTC Administrative Staff

**EXHIBIT A**  
**Tri-Valley Transportation Council Fiscal Year 2019/2020 Administrative Budget**

	FY 2017/18		FY 2018/19	FY 2019/20	Difference from	
	Expended	FY 2018/19 Budget	Remaining To Date	Budget	FY18/19 to 19/20	
<b>Expenses</b>						
TVTC Administrator (a)	\$20,000	\$20,000	\$0	\$20,000	\$	-
Accounting Services (b)	\$4,245	\$5,000	\$2,410	\$5,000	\$	-
Audit Services (c)	\$4,000	\$4,000	\$0	\$4,000	\$	-
Legal Services (d)	\$10,357	\$14,000	\$12,139	\$14,000	\$	-
Treasurer Oversight (San Ramon) (e)	\$0	\$1,200	\$1,200	\$1,200	\$	-
Insurance (f)	\$3,007	\$6,000	\$2,941	\$6,000	\$	-
Basecamp (San Ramon) (g)	\$264	\$300	\$132	\$300	\$	-
Banking/Service Charges (h)	\$0	\$500	\$500	\$500	\$	-
Website Annual Maintenance (i)	\$1,549	\$2,000	\$951	\$2,000	\$	-
Board Member Stipends	\$2,500	\$3,000	\$1,700	\$3,000	\$	-
<b>Expenses Subtotal</b>	<b>\$45,922</b>	<b>\$56,000</b>	<b>\$21,972</b>	<b>\$56,000</b>	<b>\$</b>	<b>-</b>
<b>Special Studies and Efforts (Non-Project Specific Admin Expenses)</b>						
Administrative Guidance for Development Fee (k)	\$ -	\$ 5,000.00	\$5,000.00	\$10,000	\$	5,000
Nexus Study and Strategic Expenditure Plan (j)	\$ -	\$ 100,000.00	\$100,000.00	\$100,000	\$	-
2017 Strategic Expenditure Plan Updated	\$ -	\$ -	\$ -	\$ -	\$	-
<b>Special Studies and Efforts Subtotal</b>	<b>\$0</b>	<b>\$ 105,000.00</b>	<b>\$105,000.00</b>	<b>\$110,000</b>	<b>\$</b>	<b>\$</b>
<b>GRAND TOTAL EXPENSES</b>	<b>\$45,922</b>	<b>\$161,000</b>		<b>\$166,000</b>		<b>\$5,000</b>

Notes:

- (a) TVTC Administration Annual Stipend
- (b) Franklin Management
- (c) Annual Audit/Cropper Accountancy
- (d) General Counsel/Meyers Nave
- (e) Treasurer/San Ramon staff
- (f) General Liability+Crime Insurance/Alliant
- (g) TVTC's webbased project management collaboration tool
- (h) Mechanics Bank
- (i) Tech Support and annual domain renewal/Planeteria Media
- (j) Begin Work on the Nexus Study and Strategic Expenditure Plan  
(full cost of effort approximately \$250,000 to be allocated over multiple fiscal years)
- (k) Additional \$5,000 is needed based on consultant solicitation

**Item 5b**



# TRI-VALLEY TRANSPORTATION COUNCIL

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**To:** Tri-Valley Transportation Council (TVTC)

**From:** TVTC Technical Advisory Committee (TAC)

**Date:** April 15, 2019

**Subject:** Annual Adjustment to Tri-Valley Transportation Development Fee

---

## BACKGROUND

The Joint Exercise of Powers Agreement (JEPA) for the Tri-Valley Transportation Development Fee (TVTDF) specifies that the TVTDF amounts may be adjusted automatically as of July 1 of each year to reflect changes in regional construction costs. JEPA Section 3(D)(I) requires the TVTC adopt the adjustment by a simple majority.

The amount of the adjustment is based on the change in the "Construction Cost Index" (CCI) for the San Francisco Bay Area, as reported annually in the Engineering News Record (ENR). The December 2018 ENR CCI for the San Francisco Bay Area is **+0.8%**.

## RECOMMENDATION

The TVTC TAC recommends the TVTC adopt the CCI adjustment and each TVTC member agency collect the TVTDF rates as listed below starting **July 1, 2019**:

Single Family Residential	\$4,650.56/Dwelling Unit (DU)
Multi-Family Residential	\$3,203.48/DU
Office	\$7.90/sq. ft. Gross Floor Area
Retail*	\$3.44/sq. ft. Gross Floor Area
Industrial	\$4.60/sq. ft. Gross Floor Area
Other	\$5,167.37/average am/pm peak hour trip

# TRI-VALLEY TRANSPORTATION COUNCIL

## TVTDF Historical Fee Rates

	<b>2017</b>	<b>2018</b>	<b>2019</b>
Single Family Residential (per DU)	\$4,457.63	\$4,613.65	\$4,650.56
Multi-Family Residential (per DU)	\$3,070.59	\$3,178.06	\$3,203.48
Office (per SF Gross Floor Area)	\$7.58	\$7.84	\$7.90
Retail (per SF Gross Floor Area)*	\$3.41	\$3.41	\$3.44
Industrial (per SF Gross Floor Area)	\$4.41	\$4.57	\$4.60
Other (average am/pm peak hour trip)	\$4,953.00	\$5,126.36	\$5,167.37

\*Retail rate has remained constant (no CCI adjustment) at 15% of the maximum fee rate since 2015. The TAC recommends applying the CCI to the retail fee going forward. The 2019 rate of \$3.44 represents the fee increased by 2018 CCI.

**Item 7**

# Tri-Valley Cities

DANVILLE • DUBLIN • LIVERMORE • PLEASANTON • SAN RAMON

**Date:** February 20, 2019  
**To:** Tri-Valley Mayors and City Councils  
**From:** Tri-Valley Cities City Managers  
**Subject:** Tri-Valley Cities Housing and Policy Framework

---

## Background

The Tri-Valley cities of Dublin, Livermore, Pleasanton, San Ramon, and the Town of Danville (collectively known in this document as, “Tri-Valley Cities”) value regional leadership and collaboration to maintain and improve the quality of life for Tri-Valley residents and to create a positive environment for employers. The Tri-Valley Cities recognize the challenge of providing adequate and affordable housing opportunities in the region. Recent efforts at the regional level, through the Committee to House the Bay Area (CASA) and by State legislators have brought these challenges and the resultant policy implications for the Tri-Valley into sharper focus.

## Purpose

*There is a unique opportunity for the Tri-Valley Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control.*

Knowing that new housing bills are likely to be introduced by State legislators in 2019 and beyond, the Tri-Valley Cities are collaborating to take a proactive and nuanced approach to advocacy and engagement. Each jurisdiction has its own perspective on how to best meet the needs of their residents and business communities. However, many of our interests overlap, which allows for collaboration and advocacy that will strengthen the voice of the Tri-Valley.

## Action and Information

Tri-Valley Cities have developed the Tri-Valley Cities Housing and Policy Framework to provide a comprehensive statement of the Tri-Valley Cities legislative approach in the area of housing. Included within the Framework are a CASA Compact Summary with Recommendations, and SB 50 Overview. In addition, the Tri-Valley Cities has prepared a Housing and Policy Framework Frequently Asked Questions (FAQ) exhibit as well as a Draft Resolution. The Tri-Valley Cities will collectively and individually consider adopting a Resolution in support of the Tri-Valley Cities Housing Paper and Policy Framework.

## *Attachments:*

1. Tri-Valley Cities Housing and Policy Framework with Attachments
2. Housing and Policy Framework Frequently Asked Questions
3. Draft Resolution supporting the Tri-Valley Cities Housing and Policy Framework





# TRI-VALLEY CITIES

## Housing and Policy Framework



February 2019



## **PREAMBLE**

The Tri-Valley cities of Dublin, Livermore, Pleasanton, San Ramon, and the Town of Danville (collectively known in this document as, “Tri-Valley Cities”) value regional leadership and collaboration to maintain and improve the quality of life for Tri-Valley residents and to create a positive environment for employers. The Tri-Valley Cities recognize the challenge of providing adequate and affordable housing opportunities in the region. Recent efforts at the regional level, through the Committee to House the Bay Area (CASA) and by State legislators have brought these challenges and the resultant policy implications for the Tri-Valley into sharper focus. There is a unique opportunity for the Tri-Valley Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local decision making.

Knowing that scores of new housing bills are likely to be introduced by State legislators in 2019 and beyond, the Tri-Valley Cities recommend a proactive and nuanced approach to advocacy and engagement with the cities working together. In addition to educating our stakeholders on these issues, our goals are to influence the legislative process and create a shared Tri-Valley position on key topics, where possible. While this approach identifies common areas of concern, each city continues to pursue their own individual areas of concern that are context sensitive to their community.

## **INTRODUCTION**

Each jurisdiction has its own perspective on how to best meet the needs of their residents and business communities. However, many of our interests overlap, which allows for collaboration and advocacy that will strengthen the voice of the Tri-Valley. Tri-Valley Cities are committed to open and honest communication with a goal of building consensus and a united approach to address housing legislation as it is developed by State legislators. To that end, the Tri-Valley Cities have adopted a Legislative Framework to help collectively work on legislative issues at the local, regional, state and federal levels. There are seven (7) Focus Areas which guide this education and advocacy work together which are:

1. Public Infrastructure
2. Transportation
3. Housing
4. Local Decision Making
5. Fiscal Sustainability
6. Economic Development
7. Public Safety

The housing challenges in California are real and the current and upcoming legislative cycles will include notable and impactful housing legislation that will be felt statewide, including in the Tri-Valley. Recent history has demonstrated that simply opposing legislation does not work (and in fact, may be counter-productive) and that the Tri-Valley Cities will need to collaborate to influence legislative efforts, including proposing revisions to draft legislation, to address new housing law as it is developed.

## BACKGROUND

### California's Affordable Housing Crisis & The State's Response

In 2017 the State of California published a report titled, "[California's Housing Future: Challenges and Opportunities](#)." The report identifies the severity of the housing shortage across the state and became a backdrop to the State's adoption of a suite of 15 housing-related laws known as the 2017 "Housing Package". The 15 new laws focus on:

- Providing funding for affordable housing;
- Streamlining the review and approval process for housing;
- Increasing accountability and reporting requirements for local governments; and
- Preserving existing affordable housing.

During the 2017 legislative cycle many communities (including the Tri-Valley Cities) responded to the proposed legislation with an outright rejection of the entire Housing Package. Nonetheless, 15 new bills were signed into law and in 2018 most local jurisdictions began implementation of these measures in various ways. Key pieces of that new legislation are outlined later in this Housing Framework.

## HOUSING ELEMENT

### Purpose

The Housing Element is one of nine mandated elements in a city's General Plan and implements the declaration of State law that "the availability of housing is a matter of vital statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order" (Gov. § Code 65580).

At the local level, the Housing Element allows the local jurisdiction to approve a community-specific (local) approach to "how" and "where" housing needs will be addressed to meet the needs of their community. A jurisdiction's Housing Element must be updated every eight years.

For the Bay Area, the current planning period started in 2015 and ends in 2023. The next planning period will run from 2023 to 2031, meaning that local jurisdictions will be updating their Housing Elements in the 2021/2022 timeframe.

### **Certification and Annual Progress Report (APR)**

After local adoption, State law provides the California Department of Housing and Community Development (HCD) with the authority to review and “certify” each jurisdiction’s Housing Element. To ensure ongoing compliance, the law requires local jurisdictions to submit an annual report to HCD, generally referred to as the Annual Progress Report (APR), documenting the number of housing units in various affordability categories that have been produced over the past year and through the course of the eight-year housing element cycle.

### **Regional Housing Need Allocation (RHNA)**

All California cities and counties are required to accommodate their fair share of regional housing need. This fair share assignment is determined through a Regional Housing Needs Allocation (RHNA) process. HCD determines the share of the state’s housing need for each region. In turn, the council of governments (COG) for the region allocates to each local jurisdiction its share of the regional housing need. In the nine-county Bay Area, the region’s COG is the Association of Bay Area Governments (ABAG). After the RHNA is determined, local jurisdictions must update their Housing Element (and typically identify housing opportunity sites and rezone property) to demonstrate that there is an adequate amount of land zoned, at appropriate density, to achieve its RHNA for the current planning period.

#### *Planning vs. Building; No Net Loss*

Under current state law, a jurisdiction is not required to *build* these housing units. Rather, it is required to adopt a land use program – appropriate General Plan and Zoning – including identification of specific sites with available infrastructure and suitable physical conditions to accommodate these housing units under market-driven conditions. The “No Net Loss” laws (adopted in 2017 by SB166) ensure that local governments do not approve projects with less units per income category, or downzone these opportunity sites after their Housing Element has been certified. This means that cities cannot approve new housing at significantly lower densities (or at different income categories) than was projected in the Housing Element without making specific findings and identifying other sites that could accommodate these units and affordability levels.

#### *RHNA Cycles & Income Levels*

Based on population projections from the California State Department of Finance in the lead-up to the last RHNA, and economic and regional housing market uncertainty (including the Great Recession), HCD required the Bay Area to plan for 187,990 new housing units during the current 2014-2022 RHNA cycle. A RHNA assignment is comprised of four income categories: very low; low; moderate; and above moderate income. Table 1 shows the current combined RHNA for the five Tri-Valley jurisdictions.



**Table 1 – Tri-Valley Cities 2014-2022 RHNA and Housing Production**

Income Level	RHNA Allocation by Income Level	2015	2016	2017	Total Units Built to Date	Total Remaining RHNA by Income Level
<b>Very Low</b>	3,063	80	148	52	280	2,783 <sup>1</sup>
<b>Low</b>	1,701	58	121	36	215	1,486 <sup>1</sup>
<b>Moderate</b>	1,734	35	571	36	642	1,092
<b>Above Moderate</b>	2,557	2,551	911	1,824	5,286	0
<b>Total RHNA</b>	9,055	2,724	1,751	1,948	6,423	5,361

Source: Department of Housing and Community Development (HCD) Annual Progress Reports

Similar to many communities throughout the Bay Area, the Tri-Valley has met its RHNA for above-moderate housing, production of very-low, low- and moderate-income units has been more modest. In fact, most of the low- and very-low income unit production has been generated by inclusionary zoning<sup>2</sup> requirements, or produced with substantial subsidies from local, state and federal dollars. The production data is indicative of the real challenges faced by local jurisdictions in meeting RHNA for lower income housing in a market-driven environment, where high land and development costs mean substantial subsidy is needed to build each unit, and where local, State and federal funding is inadequate to meet all but a tiny fraction of the need.

## RECENT CHANGES TO STATE LAW

The extensive housing legislation passed in 2017 (Housing Package) and supplemented in 2018 reflects the seriousness of the affordable housing crisis for State leaders. The focus has been largely on holding local government accountable (increasing reporting and monitoring), reducing public process (streamlining), and identifying new funding sources.

Of the 15 bills passed in 2017 and the follow-on bills passed in 2018, the following are the most relevant and potentially impactful to Tri-Valley communities:

**Streamlined Approval (SB 35):** SB 35 requires cities to “streamline” the approval process for housing developments if the jurisdiction has not issued sufficient building permits to satisfy its regional housing need by income category. A project would be

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<sup>1</sup> Very low and low income housing is only produced through inclusionary zoning or subsidies through City Low Income Housing Fees (LIHF), Regional/County Bonds, state and federal tax credits, or other subsidized programs.

<sup>2</sup> Inclusionary Zoning = local zoning code standards that require a portion of a market rate project to be provided (and maintained) at below-market-rate.

eligible for ministerial approval if it complies with objective planning standards, meets specifications such as a residential General Plan designation, does not contain housing occupied by tenants within 10 years, and pays prevailing wages. Additionally, projects must restrict 10 to 50 percent of its units to be affordable to households classified as having low income (i.e., less than 80 percent of the area median income).

**Housing Accountability Act (SB 167, AB 678, AB 1515):** The bills affecting the Housing Accountability Act apply to every housing development application, not just those with an affordable housing component. The legislation requires that local government provide developers with a list of any inconsistencies between a proposed project and all local plans, zoning, and standards within 30 to 60 days after the application is complete or the project will be deemed complete with all local policies. Additionally, if a housing project complies with all “objective” general plan, zoning, and subdivision standards, it may not be denied or have its density reduced unless a city or county can find that the project would have a specific adverse impact on public health and safety. If a project includes affordable units, a local jurisdiction is responsible for making additional findings to deny the project, reduce its density, or add a condition that makes the project infeasible, even if the project does not comply with all “objective” standards.

**No Net Loss (SB 166):** State law in place prior to 2017 prohibited cities from downzoning sites or approving projects at less density than identified in their Housing Elements. Under the 2017 modification, if the approval of a development project results in fewer units by income category, the jurisdiction must identify additional sites to accommodate the RHNA obligation lost as a result of the approval and make corresponding findings. This change is significant because, for many cities, the Housing Element will have counted most of the high-density housing sites as producing very-low and low-income units, when actual projects constructed will typically provide only a portion of their units at below-market rates. This means cities will likely need to zone additional land for higher density development to ensure there is an adequate number of sites to meet RHNA, and to make more conservative assumptions about future yield of affordable units on those sites.

**Housing Element Requirements (AB 1397):** This bill makes many changes to how a jurisdiction establishes its Housing Element site inventory. Of special note, this legislation requires “by-right” approval for projects that offer 20-percent of its units at a rate that is affordable to lower income households.

**BART TOD Districts (AB 2923):** This bill was passed in 2018 and established minimum local zoning requirements for BART-owned land that is located on contiguous parcels larger than 0.25 acres, within one-half mile of an existing or planned BART station entrance. All cities must adopt conforming standards within two years of BART adopting TOD standards (or by July 1, 2022) that include minimum height, density, parking, and

floor area ratio requirements. In addition, all projects must include a minimum 20 percent of units for very low and low-income households. This bill is anticipated to help facilitate BART's plan to build 20,000 units across its network.

## **FUTURE LEGISLATION**

Local jurisdictions should expect another round of significant housing legislation in 2019 and likely beyond. From this point forward, much of this legislation will likely be informed and influenced by the CASA Compact, which was released in December 2018. The Metropolitan Transportation Commission (MTC) formed CASA, or the Committee to House the Bay Area, to address the affordable housing crisis. CASA is a 21-member steering group comprised of major employers, for-profit and nonprofit housing developers, affordable housing advocates, transportation professionals, charitable foundations and elected officials from large cities. CASA's work product is referred to as the CASA Compact (Compact), an ambitious 10-point plan to remedy the Bay Area's housing issues.

### **CASA Compact** (see [Attachment 1](#))

The CASA Compact sets out to achieve three goals:

- Produce 35,000 housing units per year  
(14,000 affordable to low-income and 7,000 to moderate-income, a 60% affordability rate)
- Preserve 30,000 existing affordable units  
(26,000 of which are market-rate affordable units and 4,000 are at-risk over the next 5 years)
- Protect 300,000 lower-income households  
(those who spend more than 50% of income on their housing)

To achieve these goals, the Compact includes 10 Elements (or actions). Below is a brief summary (see Attachment 1 for a more detailed overview):

#### *Elements 1-3 – Preserve and Protect*

Together, these elements represent the “preserve and protect” components of the Compact, including arguments for: just-cause eviction standards; rent caps; and rent assistance and free legal counsel.

#### *Elements 4-8 – Production*

Together, these elements are the “production” component of the Compact, with subcategories, including: accessory dwelling units (ADUs); process streamlining and financial incentives; and using public land for affordable housing.

#### *Elements 9-10 – Revenue and Administration*

Together, these elements offer revenue generating mechanisms to fund the Compact and suggests the formation of a new independent regional “housing authority” to collect and distribute those funds.

The Compact concludes with “Calls for Action,” which were ideas that garnered sufficient interest from the CASA steering committee, but not enough to become a standalone element in the Compact. Because these will also generate some legislative interest, those topic areas are also briefly discussed here:

- *Redevelopment 2.0*: Pass legislation enabling the re-establishment of redevelopment in California to provide new funding for affordable and mixed income development.
- *Lower the Voter Threshold for Housing Funding Measures*: Pass legislation that would apply a 55% threshold for affordable housing and housing production measures.
- *Fiscalization of Land Use*: Pass legislation that would return e-commerce/internet sales tax revenues to the point of sale - not at the point of distribution as it is currently - to provide cities that have a significant residential base with a commensurate financial incentive to develop new housing. Also, pass legislation that would change the Proposition 13 property tax allocation formula to provide cities that build more housing with a higher share of property tax revenue.
- *Homelessness*: CASA’s funding package includes resources that help produce housing for formerly homeless people and prevent homelessness when possible.
- *Grow and Stabilize the Construction Labor Force*: Increase the construction labor pool by requiring prevailing wages on projects that receive incentives, calling upon the State to improve the construction employment pipeline, and creating a CASA/state labor workgroup to implement.

### **Concluding Thoughts Regarding CASA**

The intent of the CASA Compact is to serve as state legislative research data for future housing legislation. Specifically, its development timeline is driven by the desire to place elements of the Compact on the ballot in the 2020 General Election. While some jurisdictions are likely to support the philosophical principles of the CASA Compact, many have expressed concerns that revolve around three main issues:

- *One-Size-Fits-All Approach*: The Compact proposes one-size solutions that may be effective in large urban cities but can be counterproductive in smaller suburban and rural communities. As an example, rent caps may disincentivize multifamily housing production in suburban communities. In another example, mandating

high density housing near transit lines presumes transit service remain static when in fact that is not the case in suburban communities.

- *Potential to Jobs/Housing Imbalance:* The Compact's singular focus on housing production throughout the entire region minimizes the fact that the most acute housing pressure is focused in three of the nine counties in the Bay Area (San Francisco, San Mateo and Santa Clara), where most of the jobs are being created. Imposing housing production in far reaches of the Bay Area (such as Napa) would not alleviate the crisis in the three big counties. Instead, it would likely induce significant congestion and exacerbate the jobs/housing imbalance. A more reasonable approach could be to adjust the production requirements based on a county's existing housing supply.
- *Absence of Public Engagement:* One of the most concerning aspects of the Compact is the absence of a transparent public process that would have incorporated input from those most affected - the general public and cities throughout the region. An often-repeated concern is that this top-down approach is not only ill-informed of the issues highlighted above but could breed anti-growth sentiment that would actively resist reasonable measures to build or fund affordable housing in the future.

See [Attachment 1](#) for a more detailed breakdown of the CASA Compact, local concerns, and recommended approaches for future advocacy work.

## **PENDING LEGISLATION (2019)**

The 2019 legislative cycle in Sacramento will result in numerous housing-related bills. The Tri-Valley Cities will continue to monitor and advocate as appropriate. One bill that has received significant attention at this time is SB 50.

**Equitable Communities Incentive (SB 50):** SB 50 is an evolution of Senator Wiener's 2018 proposed bill, SB 827. It is a developer opt-in bill that would require a city or county to grant an "equitable communities incentive," which is a waiver from maximum controls on density, height, and parking spaces per unit, and up to three concessions (such as deviation from setbacks or other development standards), if the project provides low, very low or extremely low income housing and is located in a "job-rich housing project" or "transit-rich housing project," as defined below.

"Transit-rich housing project" means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“Job-rich housing project” means a residential development within an area identified by the Department of Housing and Community Development and the Governor’s Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs.

The League of California Cities Housing, Community and Economic Development Policy Committee (HCED) discussed SB 50 at their January 17, 2019 meeting. HCED took a position to oppose the bill unless amended. Understanding that Senator Weiner is the Chair of the Housing Committee, along with the political make-up of the Senate and Assembly, HCED formed a subcommittee to explore amendments to SB 50 to make it more amenable to cities and will be presented and discussed further at a later time.

A summary of SB 50, which was presented to HCED on January 17, 2019, is attached as [Attachment 2](#).

## **PROACTIVE APPROACH TO LEGISLATIVE ADVOCACY**

Below is a discussion of “key themes” to consider while informing, influencing, and advocating, on the topic of housing.

### **Key Themes**

#### *Balanced Solutions – Housing, Jobs, and Transportation*

- Regional solutions need to take a balanced approach that considers housing, transportation/transit, and jobs together. Building housing without adequate transportation infrastructure may exacerbate, not alleviate, the affordable housing crisis.
- Regional transit agencies and MTC must support improved transit services to existing and new neighborhoods and address accompanying funding needs.

#### *Provide, Promote, and Protect Affordability*

- Protect existing affordable housing stock, including rental apartments, deed-restricted units, and mobile homes, and promote affordable housing that includes long-term affordability agreements.
- Ensure that all new state mandated incentives, fee reductions, and density bonus program are directly linked to the level and percentage of affordable units provided for each project.

#### *Context-Sensitive Housing*

- Avoid “one-size-fits-all” standards for regional housing by ensuring that policies and laws allow for sensitivity to local context. For example, historic districts should be exempt from higher density housing requirements if they are not compatible with the historic context of the area.

- Advocate and facilitate production of ADUs (examples: reduce all fees including those from special districts and utility companies) and encourage development of “missing-middle” housing that is compatible with suburban community character (examples: duplex, triplex and four-plexes, small scale apartment complexes).
- Enable cities to develop locally-appropriate plans that meet State objectives in a manner that is compatible with existing community character. For example, some cities use density-based (rather than height-based) development standards and realistic parking requirements given their distance from reliable and frequent public transit.

### *Infrastructure and Services*

- Mandates for new housing production need to be accompanied by funding that can support expanded transportation, transit, and infrastructure, including planning, and capital improvement programs and funding to support new school facilities.

### *Funding and Resources*

- There should be no net loss of local funding.
- New funding measures should not unduly impact local taxation capacity or divert financial resources from essential local public services and infrastructure programs.
- Any new housing mandates should include funding to offset administrative costs associated with supporting the new program and new reporting requirements. Funding to offset administrative costs could include concepts similar to the surcharge on building permit applications for the Certified Access Specialist (CASP) program.

## **NEXT STEPS**

- Housing and Policy Framework Workshop for Mayors and City Councilmembers
- Develop engagement materials that highlight the narrative regarding key themes
- Work with advocacy firm Townsend Public Affairs to identify and coordinate opportunities for the Tri-Valley Cities to engage with local, regional, and State representatives

## **ATTACHMENTS**

1. CASA Compact Summary & Recommendations
2. SB 50 Overview

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p>1. <b>Just Cause Eviction Standards: Adopt a Bay Area-wide requirement that landlords must cite specific "just causes" (both fault and no-fault) for an eviction. Landlords are required to cover relocation assistance in all "no-fault" evictions. Exemptions would apply.</b></p> <p><b>Objective: Protect tenants from arbitrary evictions.</b></p>	<p>CONCERN STATUS: <b>Low</b>, there is a potentially significant <i>unfunded mandate</i> if cities are responsible for administering/enforcing measures.</p> <p>CONCERNS</p> <ul style="list-style-type: none"> <li>Disincentivizes property owners, who spend a large portion of total income on housing cost, from making housing available for rent on the open market if they are required to provide relocation assistance.</li> </ul>	<p><b>Monitor</b> legislative progress of these elements. If efforts move forward, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>Implementation to occur <i>after</i> new regional funding sources are available for administration.</li> <li>Administrative responsibility to be assigned to an existing regional agency (no new regional bureaucracy).</li> <li>Mediation to be required as a part of a person seeking their legal remedies for unfair eviction.</li> <li>Provide exemptions for homeowners with ADUs and owner-occupied duplex and triplex units.</li> </ul>	<p>FUNDING AND RESOURCES</p>



SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p><b>2. Rent Cap: Establish a Bay Area-wide emergency rent cap that limits annual rent increases to “reasonable” amount. For an emergency period (defined as 15 years), the annual cap would be no more than CPI+5%. Certain exemptions and banking provisions would apply.</b></p> <p><i>Objective: Decrease the number of households at risk of displacement and to prevent homelessness.</i></p>	<p>CONCERN STATUS: <b>Low</b>, this element has the potential to be counterproductive to multi-family housing production (rent cap disincentivize investment).</p> <p>CONCERNS</p> <ul style="list-style-type: none"> <li>• <i>Production</i> of housing units because it limits a project’s potential return on a high-risk investment;</li> <li>• <i>Maintenance and improvement</i> of the existing housing stock because property owners would be unable to recoup these investments.</li> <li>• <i>Tenant turn-over</i>, leading to a potential “mis-match” between tenants and rental units, which could lead to a decrease in available housing stock. Once a tenant has secured a rent-controlled apartment, s/he may not choose to move in the future and give up the rent-controlled unit, even if housing needs change. Research information source: <a href="https://www.brookings.edu/research/what-does-economic-evidence-tell-us-about-the-effects-of-rent-control/">https://www.brookings.edu/research/what-does-economic-evidence-tell-us-about-the-effects-of-rent-control/</a></li> <li>• <i>Rent control was recently defeated at the ballot box.</i></li> </ul>	<p><b>Monitor</b> legislative progress of these elements. If efforts move forward, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>• Uninhibited production of new rental units and incentives for existing rental units to stay rental and not be converted to for-sale units.</li> <li>• Ensure landlords have ability to cover all necessary maintenance and administrative costs.</li> <li>• Allow a reasonable time period for newly constructed rental units not be subject to rent cap and then it can apply.</li> </ul>	<p>FUNDING AND RESOURCES PROTECT AFFORDABILITY</p>
<p><b>3. Rent Assistance and Free Legal Counsel: Provide access to free legal counsel and emergency rent assistance for tenants with an urgent, temporary financial gap. Funding, policies and guidelines to be determined (presumably by the new regional housing authority) at a later time.</b></p> <p><i>Objective: Ensure right to legal counsel; provide funding for emergency/temporary rent gap.</i></p>	<p>CONCERN STATUS: <b>Low</b>, there is a potentially significant <i>unfunded mandate</i> if cities are responsible for administering/enforcing measures.</p> <p>CONCERNS</p> <ul style="list-style-type: none"> <li>• Presumes <i>all</i> tenants lack resources to legal counsel while <i>all</i> landlords do not. The inverse could be true and result in abuse of the system on the part of tenants seeking to thwart a lawful eviction.</li> </ul>	<p><b>Monitor</b> legislative progress of these elements. If efforts move forward, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>• Implementation to occur <i>after</i> new regional funding sources are available for administration.</li> <li>• Administrative responsibility to be assigned to an existing regional agency (no new regional bureaucracy).</li> <li>• A “means test” (demonstration of need) to be required before receiving free legal assistance.</li> </ul>	<p>FUNDING AND RESOURCES</p>

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p><b>4. Remove Regulatory Barriers to Accessory Dwelling Units (ADUs): Extend existing state law to allow ADUs on single family lots and multiple ADUs in existing multi-family buildings with ministerial approval.</b></p> <p><b>Forgives code violations in grandfathered ADUs. Impact fees to be based on a square foot basis and only on net new living area &gt;500 SF.</b></p> <p><b>Objective: Increase more affordable units, provide income source for cost-burdened homeowners.</b></p>	<p>CONCERN STATUS: <b>Low</b>, cities have generally supported the production of ADUs by making it simpler, faster and cheaper to build these units.</p> <p>CONCERNS</p> <ul style="list-style-type: none"> <li>This Element indicates a lack of understanding that cities serve as a collection point for many pass-through fees to other public agencies (such as utility connection and school district fees), which represent the majority of all fees imposed on an ADU. For example, in the San Ramon valley, these fees represent <b>79-percent</b> of the fees incurred by a typical 742 SF ADU.</li> </ul> <p>Given their disproportionate percentage of the total fee amount, limitations and reduction should apply to ALL pass-through public agencies.</p> <ul style="list-style-type: none"> <li>Removing energy efficiency requirements is contrary to established State Green House Gas (GHG) reduction goals.</li> <li>Reducing fees across the board without an evaluation of the impacts to public services and infrastructure is contrary to the fiscal sustainability of each city.</li> <li>Code violations should not be forgiven if they pose health and safety concerns.</li> </ul>	<p><b>Full support and expansion</b> of this element by:</p> <ul style="list-style-type: none"> <li>Extending the fee limitation/reduction to <i>all</i> pass-through fees (including utility connection fees and school district fees), provided that the fees remain proportionate to impacts generated.</li> <li>Developing standardized ADU permit plans in a range of sizes, pre-approved at the State level, allowing for minimal local plan check requirements (reduced plan check time offsets fee limitations).</li> <li>Allowing cities to count, by right, ADUs that are “affordable by design” in the RHNA process (examples: count ≤ 550 SF ADU as “Low” and 551-1,000 SF ADU as “Moderate” income units).</li> <li>Advocate for standardized Building Codes for ADUs</li> <li>Ensure existing structures are brought up to Code for legitimate Health and Safety reasons.</li> </ul>	<p>CONTEXT-SENSITIVE HOUSING</p>

<p><b>5. Minimum Zoning Near Transit: Establish state-wide <i>minimum zoning</i> for housing on all residential, commercial and institutional zones to allow ‘missing middle’ housing product types to be:</b></p> <ul style="list-style-type: none"> <li>• <b>Minimum 36-feet high within 1/2-mile of high quality bus service, defined as a bus stop with 15-min headways (weekday peak) and 30-min headways (weekend)</b></li> <li>• <b>Minimum 55-feet high (75’ with density bonus) within 1/4-mile of a major transit stop, defined as a rail station or a ferry terminal)</b></li> </ul> <p><i>Housing Overlay on Low-Density Commercial Sites: Make housing an allowable use on large commercially-zoned parcels near job centers with high quality transit.</i></p> <p><i>Tenant Protections: Sites rezoned would be subject to tenant protections, demolition controls and “no net loss” provisions.</i></p> <p><i>Affordable Housing: Required at levels not less than state density bonus law. Projects with 10-20 units should have option to pay in-lieu fee as its affordable housing obligation.</i></p> <p><i>Sensitive Communities: receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.</i></p> <p><b>Objective: Spur development near transit.</b></p>	<p>CONCERN STATUS: <b>High</b>, as it ignores community context with the potential for significant displacement and land speculation near transit.</p> <p>CONCERNS: This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• <i> Ignores community context</i> – creating potential land use incompatibility issues with tall developments immediately adjacent to low density areas or within historic districts/downtowns.</li> <li>• Generates <i>impacts on local infrastructure</i> (i.e., water, sewer, schools, traffic) while fee limitations proposed in Element 6 limits ability to mitigate those impacts.</li> <li>• Creates <i>land speculation</i> around transit zones, driving up land costs and in turn causing housing development costs to rise.</li> <li>• Requiring minimum <i>height does not create density</i>, as it is possible to build a tall multi-story project with lower density luxury units.</li> <li>• Unaware of the fact that <i>transit service is not static</i> in suburban cities; tying housing requirements to transit routes which may be eliminated due to budget cuts (or lowering demand) is problematic as it introduces density to areas that may not have any transportation.</li> <li>• Unaware of the fact that some commercially zoned properties are purposely zoned as such to serve predominately residential areas; as a State Green House Gas (GHG) reduction goal to lower vehicles miles traveled (VMT).</li> <li>• Does not include frequency thresholds or minimum headways for rail station or ferry terminal definitions.</li> <li>• Creates housing near transit but is unclear about proximity to jobs.</li> </ul>	<p><b>Oppose unless amended</b> as follows:</p> <ul style="list-style-type: none"> <li>• Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit and a balanced land use framework.</li> <li>• Focus requirement on density not on height (as the latter does not necessarily result in more units) and allow cities to retain design quality control to facilitate local acceptance.</li> <li>• Establish realistic frequency thresholds to be considered for rail stations, specifically ACE or Amtrak train lines, which have very limited infrequent service.</li> <li>• Apply density increase as a <i>percentage</i> of adjacent land uses (example: 50% increase in density or height) in acknowledgement that not all communities take the same form near transit lines (example: San Francisco vs the Pleasanton/Dublin Area).</li> <li>• Establish increases contingent upon funding a transit agency’s ability to maintain headways for a specified number of years.</li> <li>• Allow a time period for cities to incorporate these requirements into their General Plans and obtain local feedback.</li> <li>• Exempt historic districts/downtowns where high-density housing is not compatible with the historic context of the area.</li> </ul> <p><b>Monitor</b> any legislation regarding the definition and requirements on “low density” commercial areas.</p> <p><b>Balanced Approach:</b> Pursue and support policies that maintain the delicate balance of jobs, adequate affordable housing, and a robust transportation network to connect new housing to jobs and daily services. Actively discourage policies that favors one of these at the expense of the others.</p>	<p>CONTEXT-SENSITIVE HOUSING BALANCED SOLUTIONS INFRASTRUCTURE AND SERVICES</p>
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SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p>6. <b>“Good Government” Reforms to Housing Approval Process: Focused on streamlining the permitting process and how residential impact fees are set and enforced.</b></p> <ul style="list-style-type: none"> <li>• <b>Streamlining (zoning compliant projects &lt;500 units): Includes “locking” rules, fees and historic status at the date of the “application completeness”; permits no more than 3 de novo hearings for each project.</b></li> <li>• <b>Impact Fees: Impose a state standard for establishing and imposing impact fees using objective standards rather than current “reasonableness” test. Allow for fee deferral (pay some fees at a later point in the development process).</b></li> <li>• <b>Inclusionary Zoning: Establish state law that precludes inclusionary programs from being ‘additive’ (density bonus, housing impact fees, local inclusionary requirements). Requires in-lieu fees to be an option for fulfilling inclusion (i.e., ability to ‘buy’ out of providing onsite affordable housing).</b></li> <li>• <b>Downzoning and Moratoria: State to set criteria for when these can be used locally.</b></li> <li>• <b>Annual ‘Impositions’ Report: Recommends cities annually document any impositions (undefined) that would increase the hard cost (excludes labor and materials) of housing construction (such as fees and inclusionary zoning requirements).</b></li> </ul> <p><b>Objective: Remove ‘regulatory uncertainty’ perceived to be a major cause of economically infeasible projects.</b></p>	<p>CONCERN STATUS: <b>High.</b> This has the potential to significantly reduce public input in the review process which may lead to distrust and community concern.</p> <p>CONCERNS: This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• Disincentivizes developers to collaborate on delivering projects that best meet community needs (such as mitigating traffic and infrastructure impacts, offering community amenities).</li> <li>• Significantly reduces the ability to provide public input and the ability to satisfy the public concerns. Reducing public interest may lead to distrust.</li> <li>• Potentially eliminates ability to negotiate community benefits (services and infrastructure to support those who would occupy the housing) as a part of the development process.</li> <li>• Sends a mixed message regarding inclusionary housing, which has been the greatest single contributor to affordable housing in the Tri-Valley. Elements of the Compact require inclusionary housing, while this element alleviates the inclusionary requirement for developers.</li> <li>• As written, this Element severely limits a city’s ability to use good design and planning techniques to integrate new affordable housing into the fabric of a community, which will likely result in further community resistance to affordable housing development.</li> </ul>	<p><b>Oppose unless amended</b> as follows:</p> <ul style="list-style-type: none"> <li>• Require an “expiration date” for all fees and regulations locked at application completeness to ensure they are applicable to viable projects. Eliminates abuse by developers who might “lock” a future application to avoid addressing future federal, state or local requirements that may surface.</li> <li>• Require a “reset” should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.</li> <li>• Maintain clear and objective standards and controls, and support fee deferral programs that ensure context sensitivity.</li> <li>• Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.</li> </ul> <p><b>Monitor</b> any legislation regarding the definition and requirements related to an “impositions report.”</p>	<p>FUNDING AND RESOURCES</p> <p>CONTEXT-SENSITIVE HOUSING</p>



<p><b>7. Expedited Approvals and Financial Incentives: Another permit streamlining effort to accelerate approvals of zoning-compliant projects and enable on-site affordability with financial incentives.</b></p> <p><i>Streamlining: Applies to zoning compliant projects that restrict at least 20% of onsite housing units to middle-income households, defined as 80-150% of area median income (AMI). Projects granted a statutory CEQA exemption and limited discretionary review.</i></p> <p><i>Financial Incentives include 15-year property tax increment abatement, cap on impact fees, parking standards reduced to 50% of local requirement. Projects to pay prevailing wage.</i></p> <p><i>Sensitive Communities: receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.</i></p> <p><i>Objective: Build more moderate income housing units.</i></p>	<p><b>CONCERN STATUS: High.</b> Much of the Tri-Valley has limited developable lands remaining. However, the remaining new and infill developments generate impacts that rely on fees to mitigate. There should be no net loss of local funding.</p> <p><b>CONCERNS:</b> This one-size-fits-all approach generates many of the same concerns as described in Element #6. Additionally:</p> <ul style="list-style-type: none"> <li>• Potential to reduce property tax allocations for each City.</li> <li>• Caps on impact fees to a “reasonable” level is currently undefined.</li> <li>• Further caps on impact fees would eliminate funding sources to provide services and infrastructure (example: school, transit, etc.).</li> <li>• Requirement to pay prevailing wage is inconsistent with the overall goal to lower housing construction costs.</li> <li>• Reducing tax allocations given to each city without an evaluation that the impacts generated continue to be covered is contrary to the fiscal sustainability of each city.</li> </ul>	<p><b>Oppose unless amended</b> as follows:</p> <ul style="list-style-type: none"> <li>• There should be no net loss of local funding.</li> <li>• Require outside agencies to cap/reduce fees to stimulate affordable housing.</li> <li>• Require an “expiration date” for all fees and regulations locked at application completeness to ensure they are applicable to viable projects. Eliminates abuse by developers who might “lock” a future application to avoid addressing future federal, state or local requirements that may surface.</li> <li>• Require a “reset” should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.</li> <li>• Implement and maintain clear and objective standards and controls to ensure context sensitivity.</li> <li>• Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.</li> <li>• Consider middle income household definition of 80-120% of area median income, consistent with local standards (instead of 80-150% of AMI), which makes units more affordable.</li> <li>• 50% parking reduction from local standards should initially be applied only in transit rich areas where residents actually have to option to use frequent and high quality public transit.</li> <li>• Projects should be required to agree to a 30-50 year inclusionary requirement to receive the streamlining and financial incentives listed.</li> </ul>	<p>FUNDING AND RESOURCES</p> <p>CONTEXT-SENSITIVE HOUSING</p>
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SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p><b>8. Unlock Public Lands for Affordable Housing: Promote use of “surplus” and “underutilized” public lands (undefined) for affordable housing through legislative and regulatory changes.</b></p> <p><b>This would also create a database listing all publicly owned land in the Bay Area, limit approval process to no more than two years, and deploy 10 percent of underutilized/surplus public land to affordable housing development on an annual basis.</b></p> <p><b>Element also calls for policies to help expand the housing construction labor pool, including requiring trained apprentices and prevailing wages. Exceptions would apply to temporary housing built to address an emergency.</b></p> <p><b>Objective: Encourage re-use of public land for mixed income/affordable housing units.</b></p>	<p>CONCERN STATUS: High. The Tri-Valley has varying amounts of public land between cities. However, the remaining public lands should include context sensitive community plans for each city.</p> <p>CONCERNS: This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• Ignores community context – creating potential land use incompatibility issues with tall developments immediately adjacent to low density areas or within historic districts/downtowns.</li> <li>• Ignores the fact that not all public lands have the same value for affordable housing development, as some large tracts of public land are located at the urban fringe, away from transit and is inappropriate for housing development that leads to sprawl.</li> <li>• Ignores the fact that ability to deploy land is driven by market forces, which cities do not control.</li> <li>• Disregards the efforts underway by local communities to plan vacant lands around transit in a context-sensitive manner.</li> <li>• Limits a city’s ability to use good design and planning techniques to integrate new affordable housing into the fabric of a community, which will likely result in further community resistance to affordable housing development.</li> <li>• Lacks a definition for surplus and underutilized land and how this proposal relates to the exiting Surplus Land Act requirement to offer surplus land to affordable housing developers and other public agencies.</li> </ul>	<p><b>Support with amendments</b> as follows:</p> <ul style="list-style-type: none"> <li>• Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.</li> <li>• Provide clear and objective standards for the definition of “surplus land.”</li> <li>• Should prioritize land around existing or approved transit stops</li> <li>• Require projects to be consistent with locally adopted land use plans that are already in place (e.g. specific plans) and consistent with objective local standards.</li> </ul> <p><b>Monitor</b> any developing legislation regarding the definition of “surplus/underutilized” lands. As appropriate, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>• Cities to partner with the public entity which owns the surplus land to ensure projects are developed in a manner consistent with local plans and design standards.</li> </ul>	<p>CONTEXT-SENSITIVE HOUSING</p> <p>BALANCED SOLUTIONS</p>

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p><b>9. Funding and Financing the CASA Compact: Raise \$1.5 billion new revenue annually from broad range of sources including (but not limited to) property taxes, 1/4-cent sales tax, head tax, and General Obligation Bonds (reissued every 5 years). Of the total \$1.5 billion, \$300 million would come from local communities (former RDA set aside and future tax increment).</b></p> <p><b>New revenue allocation formula:</b></p> <ul style="list-style-type: none"> <li>- Up to 10% for local jurisdiction incentives</li> <li>- Remainder to tenant protection, preservation, housing subsidies</li> </ul> <p><b>New revenue distribution formula:</b></p> <ul style="list-style-type: none"> <li>- 75% to county of origin (“return to source”)</li> <li>- 25% to regional program (“revenue sharing”)</li> </ul> <p><b>Revenue collection and disbursement would be managed by a new regional housing authority (described in Element 10).</b></p> <p><b>Objective: Fund elements of the Compact that requires public subsidy (e.g., rental assistance, free legal counsel, financial incentives, etc.).</b></p>	<p><b>CONCERN STATUS: High.</b> Though not included in the Compact, the Governor has already suggested withholding SB1 funds from cities that do not meet their RHNA assignment. Most cities do not meet the RHNA assignment for at least low and very low units, mostly because such affordability requires significant local subsidies to even get built – the private market simply won’t build these units on its own.</p> <p><b>CONCERNS</b></p> <ul style="list-style-type: none"> <li>• No “return to source” formula at the city-level, resulting in a greater perception of some communities being “donor communities” without having resources to meet its assigned housing obligation.</li> <li>• Vacant property tax could be punitive to small property owners, particularly if vacancy is beyond their control. Potential <i>unfunded mandate</i> if responsibility for enforcement falls upon local cities.</li> <li>• Commercial fees/taxes may be counterproductive if it drives employers out of the region and suppresses business retention.</li> <li>• The property tax “set aside” is punitive to those cities whose tax base is largely from property taxes.</li> <li>• Wide range of new taxes and fees may limit a city’s taxing capacity (limit its voters’ appetite to pass local funding measures).</li> </ul>	<p><b>Oppose unless amended</b> to eliminate any reduction in current property tax or transportation funding to cities and amended as follows:</p> <ul style="list-style-type: none"> <li>• Defined return-to-source funding formula at a city level.</li> <li>• Regional “fair share” housing assignment (RHNA process) is correlated to level of funding received (i.e., the less regional funding a city receives, the lower the regional housing assignment) (e.g., we do not want to be donor cities).</li> </ul> <p><b>Support</b> for the following funding sources:</p> <ul style="list-style-type: none"> <li>• Statewide voter-approved sales tax or General Obligation bonds for affordable housing to pay for housing initiative.</li> </ul>	<p>FUNDING AND RESOURCES</p>

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED APPROACH	TVC POLICY FRAMEWORK KEY THEMES
<p><b>10. Regional Housing Enterprise (RHE): Establishes a new independent regional housing agency - formed through state legislation - to implement the Compact. It would have the authority to collect and distribute revenue, issue debt, buy/lease/hold land, and track/report on local progress. No regulatory or enforcement powers.</b></p> <p><b>Composition: independent board with representation from MTC, ABAG, and stakeholder groups that created the Compact.</b></p> <p><b>Objective: <i>Administers the Compact.</i></b></p>	<p>CONCERN STATUS: <b>High.</b> The Tri-Valley does not support creating an unrepresentative layer of oversight.</p> <p>CONCERNS</p> <ul style="list-style-type: none"> <li>• Creating an entity that is not comprised of elected officials does not allow it to be accountable to the voters or local needs, and appears to be structured to exclude local government input.</li> <li>• Creating a regional entity introduces another bureaucracy with its own unique set of requirements takes staff time away from facilitating housing production and committing it to report production (in addition to the ones filed with State HCD and Department of Finance).</li> <li>• Creates taxation without representation.</li> <li>• Existing agencies that could do the same functions, with additional funding, are not being considered instead of a new public agency.</li> </ul>	<p><b>Oppose because it is not representative of each city and includes taxation without representation.</b></p>	<p>FUNDING AND RESOURCES</p>



**HOUSING, COMMUNITY & ECONOMIC DEVELOPMENT**  
**Legislative Agenda**  
**January 17, 2019**

**1. SB 50 (Wiener) More HOMES Act (Housing, Opportunity, Mobility, and Stability)**

**Bill Summary:**

SB 50 (Wiener) is a developer opt-in bill that would exempt specified housing projects from locally adopted parking requirements, density limits, height maximums limits less than 55 feet, and floor area ratio (FAR) maximums less than 3.25.

**Bill Description:**

Key Definitions

**“Affordable”** means available at affordable rent or affordable housing cost to, and occupied by, persons and families of extremely low, very low, low, or moderate incomes, as specified in context, and subject to a recorded affordability restriction for at least 55 years.

**“High-quality bus corridor”** means a corridor with fixed route bus service that meets all of the following criteria:

- It has average service intervals of no more than 15 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. and 7 p.m., inclusive, on Monday through Friday.
- It has average service intervals of no more than 20 minutes during the hours of 6 a.m. to 10 a.m., inclusive, on Monday through Friday.
- It has average intervals of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.

**“Job-rich housing project”** means a residential development within an area identified by the Department of Housing and Community Development and the Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs. A residential development shall be deemed to be within an area designated as job-rich if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the job-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the job-rich area.

**“Transit-rich housing project”** means a residential development the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within a one-half

mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

**“Local government”** means a city, including a charter city, a county, or a city and county.

**“Major transit stop”** means a site containing an existing rail transit station or a ferry terminal served by either bus or rail transit service.

**“Residential development”** means a project with at least two-thirds of the square footage of the development designated for residential use.

**“Sensitive community”** means an area identified by the Department of Housing and Community Development, in consultation with local community-based organizations in each region, as an area vulnerable to displacement pressures, based on indicators such as percentage of tenant households living at, or under, the poverty line relative to the region.

Specifically, SB 50 (Wiener) is a developer opt-in bill that would require a city, county, or city and county to grant an equitable communities incentive to eligible development proponents. In order to be eligible for an equitable communities incentive, a residential development shall meet all of the following criteria:

- The residential development is either a job-rich housing project or transit-rich housing project.
- The residential development is located on a site that, at the time of application, is zoned to allow housing as an underlying use in the zone, including, but not limited to, a residential, mixed-use, or commercial zone, as defined and allowed by the local government.
- The residential development must comply with a locally adopted inclusionary housing ordinance, if it requires more than 20% for low-income and 11% for very low-income households.
- States that it is the intent of the Legislature to require that any development of \_\_\_\_\_ or more residential units receiving an equitable communities incentive include housing affordable to low, very low or extremely low income households, which, for projects with low or very low income units, are no less than the number of onsite units affordable to low or very low income households that would be required pursuant to subdivision (f) of Section 65915 for a development receiving a density bonus of 35 percent (20% for low-income and 11% for very low-income households.)
- The site does not contain, or has not contained, either of the following:

- Housing occupied by tenants within the seven years preceding the date of the application, including housing that has been demolished or that tenants have vacated prior to the application for a development permit.
- A parcel or parcels on which an owner of residential real property has exercised his or her rights under the Ellis Act, Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 to withdraw accommodations from rent or lease within 15 years prior to the date that the development proponent submits an application.
- The residential development complies with all applicable labor, construction employment, and wage standards otherwise required by law and any other generally applicable requirement regarding the approval of a development project, including, but not limited to, the local government's conditional use or other discretionary permit approval process, the California Environmental Quality Act, or a streamlined approval process that includes labor protections.
- The residential development complies with all other relevant standards, requirements, and prohibitions imposed by the local government regarding architectural design, restrictions on or oversight of demolition, impact fees, and community benefits agreements.
- The equitable communities incentive shall not be used to undermine the economic feasibility of delivering low-income housing under the state density bonus program or a local implementation of the state density bonus program, or any locally adopted program that puts conditions on new development applications on the basis of receiving a zone change or general plan amendment in exchange for benefits such as increased affordable housing, local hire, or payment of prevailing wages.

A residential development that meets the criteria specified above shall receive, upon request, an equitable communities incentive as follows:

- "Job-rich housing project" shall receive the following:
  - A waiver from maximum controls on density.
  - A waiver from maximum automobile parking requirements greater than 0.5 automobile parking spots per unit.
  - Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.
- "Transit-rich housing project" shall receive the following:
 

A residential development within one-quarter mile radius of a stop on a high-quality bus corridor:

  - A waiver from maximum controls on density.
  - A waiver from maximum automobile parking requirements greater than 0.5 automobile parking spots per unit.

- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.

A residential development that is located within a one-half mile radius, but outside a one-quarter mile radius, of a major transit stop and includes no less than \_\_\_\_ percent affordable housing units shall receive an additional incentive as follows:

- A waiver from maximum controls on density.
- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.
- A waiver from maximum height requirements less than 45 feet.
- A waiver from maximum FAR requirements less than 2.5.
- A waiver from maximum automobile parking requirement.

A residential development that is located within a one-quarter mile radius of a major transit stop and includes no less than \_\_\_\_ percent affordable housing units shall receive an additional incentive as follows:

- A waiver from maximum controls on density.
- Up to three incentives and concessions pursuant to subdivision (d) of Section 65915 (Density Bonus law). These incentives or concessions may include, but are not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.
- A waiver from maximum height requirements less than 55 feet.
- A waiver from maximum FAR requirements less than 3.25.
- A waiver from any maximum automobile parking requirement.

Notwithstanding any other law, for purposes of calculating any additional incentive or concession in accordance with Section 65915, the number of units in the residential development after applying the equitable communities incentive received pursuant to this chapter shall be used as the base density for calculating the incentive or concession under that section (Density Bonus law).

An eligible applicant proposing a project that meets all of the requirements under Section 65913.4 (SB 35 streamlining) may submit an application for streamlined, ministerial approval in accordance with that section.

A local government may modify or expand the terms of an equitable communities incentive provided that the equitable communities incentive is consistent with, and meets the minimum standards specified in, this chapter.

It is the intent of the Legislature that, absent exceptional circumstances, actions taken by a local legislative body that increase residential density not undermine the equitable communities incentive program.

“Sensitive community” delayed implementation - It is the intent of the Legislature that implementation of SB 50 be delayed in sensitive communities until July 1, 2020.

It is further the intent of the Legislature to enact legislation that does all of the following:

- Between January 1, 2020, and \_\_\_\_\_, allows a local government, in lieu of the requirements of this chapter, to opt for a community-led planning process aimed toward increasing residential density and multifamily housing choices near transit stops.
- Encourages sensitive communities to opt for a community-led planning process at the neighborhood level to develop zoning and other policies that encourage multifamily housing development at a range of income levels to meet unmet needs, protect vulnerable residents from displacement, and address other locally identified priorities.
- Sets minimum performance standards for community plans, such as minimum overall residential development capacity and the minimum affordability standards set forth.
- Automatically applies the provisions of this chapter on January 1, 2025, to sensitive communities that do not have adopted community plans that meet the minimum standards whether those plans were adopted prior to or after enactment.

**Fiscal Impact:**

No direct fiscal impact to cities.

**Existing League Policy:**

Zoning

The League believes local zoning is a primary function of cities and is an essential component of home rule. The process of adoption, implementation and enforcement of zoning ordinances should be open and fair to the public and enhance the responsiveness of local decision-makers. State policy should leave local siting and use decisions to the city and not interfere with local prerogative beyond providing a constitutionally valid procedure for adopting local regulations. State agency siting of facilities, including campuses and office buildings, should be subject to local notice and

hearing requirements in order to meet concerns of the local community. The League opposes legislation that seeks to limit local authority over parking requirements.

**Comments:**

*What is a “job-rich housing project?”*

SB 50 fails to define “job-rich housing project.” As currently drafted, HCD and OPR are tasked with making the determination. Without this definition it is impossible to determine the full scope of communities that may be impacted by this measure. Additionally, SB 50 waives maximum density controls and reduces parking to a maximum of .5 parking spots per unit, even though the community may not have access to public transit. This is inconsistent with the desire to add density near major transit stops.

*What is a “sensitive community?”*

Much like a “job-rich housing project”, “sensitive community” is not defined. As drafted, HCD and OPR, in consultation with local community-based organizations from the region, are tasked with determining these communities. It should be noted that local governments are excluded from the consultation process.

*When does CEQA apply?*

SB 50 clearly states that residential projects seeking an equitable communities incentive shall comply with CEQA. However, it is unclear if CEQA will be conducted before or after the incentive is applied. It would be most appropriate to undergo the environmental review process after the incentive has been applied so that the entire project can be considered.

*Can a city establish height limitations for “job-rich housing projects” or “transit-rich housing projects” within one-quarter mile of a stop on a high-quality bus corridor?*

It is unclear if a city can establish height limitations in these areas. Eligible projects receive up to three incentives and concessions pursuant to Density Bonus law. One possible concession is an exemption from local height limitations. This will need to be clarified.

*Mayors in support of SB 50?*

It is important to note that several Mayor’s are supporting SB 50. Below are their quotes from Senator Wiener’s press release.

San Francisco Mayor London Breed:

“San Francisco, along with the entire Bay Area, needs to create more housing if we are going to address the out of control housing costs that are causing displacement and hurting the diversity of our communities. I have seen too many people I grew up with pushed out of San Francisco because we have not built enough housing, especially affordable housing, throughout our entire City. I look forward to working with Senator Wiener and others to make sure SB 50 creates more housing opportunities near transit, while maintaining strong renter protections and demolition restrictions so we are

focusing development on empty lots and underutilized commercial spaces. I want to thank Senator Wiener for his continued leadership in pushing for more housing throughout California.”

Oakland Mayor Libby Shaaf:

“The Bay Area must address our shared housing crisis with bold solutions and this bill is an important step toward inclusive communities where everyone has access to stable housing. I appreciate that Sen. Weiner has included key elements of the CASA process – an 18-month effort by Bay Area government officials and stakeholders to create new regional housing strategies – and I am committed to working with the state legislature to implement these solutions.”

Sacramento Mayor Darrell Steinberg:

“I strongly support the concepts outlined in SB 50 because cities throughout California are in the midst of a housing affordability crisis and we need tools that allow us to meet our housing demands. Recent state reports demonstrate cities are falling well short of the housing, climate and sustainable transit goals California committed to in SB 375, legislation I authored in 2008. Senator Weiner’s legislation provides a vital tool for local governments to meet those goals.”

Emeryville Mayor John Bauters:

"Every city in California has to do its part to solve the housing crisis, and I'm proud to stand with fellow housing champions in support of the More HOMES Act. In addition to the incredible burden on our workers, the housing crisis is now fueling the climate crisis by forcing people into long commutes. We should build much more housing near transit, and I'm excited to support this effort to do so."

**Support-Opposition:** (as of 12/4/18)

Support

San Francisco Mayor London Breed, Oakland Mayor Libby Schaaf, Sacramento Mayor Darrell Steinberg, Emeryville Mayor John Bauters, and El Cerrito Mayor Gabriel Quinto, Non-Profit Housing Association of Northern California (NPH), California Apartment Association,

Opposition:

City of Pasadena

**Staff Recommendation:**

Staff recommends the committee discuss SB 50 and determine a position.

**Committee Recommendation:**





# Housing and Policy Framework Frequently Asked Questions



February 2019



**TRI-VALLEY CITIES  
HOUSING PAPER AND POLICY FRAMEWORK  
FREQUENTLY ASKED QUESTIONS**

How is Affordable Housing Developed

1. What is a Housing Element, who approves it and when does it get updated?

The Housing Element is one of nine mandated elements in a city's General Plan and implements the declaration of State law that "the availability of housing is a matter of vital statewide importance and the attainment of decent housing and a suitable living environment for all Californians is a priority of the highest order" (Gov. § Code 65580)

Among other things, a Housing Element allows each community to take a local approach to identifying "how" and "where" their fair share of the region's housing needs should be accommodated. A community's Housing Element must be updated every eight years to demonstrate that an adequate amount of land (called "opportunity sites") is available to accommodate its fair share housing assignment.

The current Housing Element planning period is from 2015 to 2023. During the next update to the Housing Element, each city will likely need to identify new "opportunity sites" to meet future housing assignments. This update could begin in 2021 or 2022, and will require review and approval by each city's elected council through a public hearing process that allows for community input.

2. What is a community's "fair share" housing assignment and how is it calculated?

All California cities and counties are required to accommodate their "fair share" of its region's housing needs through a Regional Housing Need Allocation (RHNA) process. The "RHNA assignment" is comprised of four income categories: *very low*, *low*, *moderate*; and *above moderate*-income housing units.

At the state level, based on population projections, the Department of Housing and Community Development (HCD) determines each region's share of the state's housing need. In turn, each region's council of governments (COG) allocates the regional share among its member cities and counties. The San Francisco Bay Area region's COG is the Association of Bay Area Governments (ABAG).

Each city or county must demonstrate how they can accommodate their fair share RHNA assignment in its Housing Element. RHNA assignments are made approximately every eight years and are based on a formula that factors in the size of the community, its potential for housing and job growth, infrastructure and environmental constraints, and availability of public transit.

The RHNA process is not new and has been in effect since the early 1980s.

3. What is the relationship between multi-family housing and “affordable/low income” housing? Will these sites be developed with low income housing?

The RNHA process attempts to encourage development of housing at all income levels, with a focus on affordable housing. There is a presumed correlation between density (i.e. the number of housing units per acre) and affordability (i.e., housing built to higher densities is affordable to a greater segment of the population). However, it should be noted that RNHA process does not establish rental rates or sales prices. Ultimately, the type of housing built on these sites will depend on the housing market and local economy.

4. What is affordable or below market rate housing; and what are the definitions of *very low, low, moderate and above moderate* income?

This is housing that is offered at a price lower than the market rate. This is usually possible because of government subsidies and other programs that help lower the price or rent of housing. Affordable housing is usually limited to individuals and families that fit into a specific income category (ranging anywhere from less than 30% of area median income to 120% of area median income).

Below is an example of the maximum income limits that were used by all cities including Dublin, Livermore, and Pleasanton in Alameda County in 2018 for a family of four to qualify to buy an affordable home:

- Very Low: 50% of Area Median Income (AMI) or \$58,100
- Low: 80% of AMI or \$89,600
- Moderate: 120% of AMI or \$125,300
- Above Moderate: Anything above 120% AMI

5. Does the State require cities and counties to produce housing units?

Under current State law, a jurisdiction is *not* required to build these housing units. Rather, it is required to ensure that there are lands available (called “opportunity sites”) that have the appropriate General Plan and Zoning designation to accommodate these housing units under market-driven conditions.

6. Where will this housing be located and does all affordable housing have to be higher density rental housing?

Currently, the location of the housing is at the community’s discretion, but some of the current and pending state laws aim to facilitate higher density housing near fixed rail stations (e.g. BART and ACE Stations), high frequency bus routes, or in “jobs rich” areas. The density of the housing can vary depending on its location and local land use policies. Affordable housing can be either for-sale or rental housing. It is the goal of local jurisdictions to meet state and regional mandates in a manner that is compatible with its community character.

7. What is the State doing about the housing shortage?

In 2017, as a response to the statewide housing shortfall, State legislators crafted 15 new housing bills known as the “2017 Housing Package.” Collectively, the focus of these bills has been focused largely on holding local governments accountable (increased reporting and monitoring), reducing public process (permit streamlining), and identifying new funding sources. Despite the outright objection of many communities, the bills became law in late 2017.

8. How do State housing laws affect cities?

Cities are required by State law to ensure that sufficient lands are available to accommodate their “fair share” of housing units. This means that there must be a sufficient amount of land that is designated for all housing types.

As a part of the required Housing Element update, cities must determine whether enough land is available to accommodate its RHNA assignment. If not, then the city is required to designate new “opportunity sites” for this purpose – usually through amending the General Plan and Zoning designation to allow for multifamily housing development.

Under current state law, cities are not required to build housing units. Housing construction is still driven by the private market. Instead, a city’s obligation is to allow these units to be built (through General Plan and Zoning designations). Generally, new housing projects are still required to go through local land use entitlement review and public hearings. New legislation, in some cases, proposes to streamline this review process.

9. What happens if a city doesn’t comply with State housing laws?

Non-compliance could have a number of immediate impacts. First, any RHNA assignment that is not accommodated in one housing cycle will likely be rolled over to the next, increasing the amount of units, and potential land a city is required to designate for multi-family housing during the next cycle. Second, a city would become vulnerable to lawsuits for non-compliance. Third, a city would risk loss of significant transportation funding and become ineligible for a number of state and federal grants.

If sued for non-compliance, a city’s ability to regulate and influence the design and planning of future multifamily housing proposals could be compromised, further diminishing local decision making over what gets built in the future.

10. What is CASA and the CASA Compact?

In July 2017, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) convened the *Committee to House the Bay Area*,

also known as CASA. CASA was charged with developing a “bold plan” to tackle the Bay Area’s housing challenges.

In December 2018, CASA released the “*CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area.*” The CASA Compact (“Compact”) is a wide-ranging 10-point plan that sets out to achieve three overarching goals for the Bay Area:

- *Produce* 35,000 housing units per year
- *Preserve* 30,000 affordable units
- *Protect* 300,000 lower-income households

The Compact is comprised of 10 “elements” intended as a package of actions to be implemented in its entirety. These elements include tenant protections, housing production mandates, diversion of local community funds and new taxes, as well as the creation of a new regional authority to implement these ideas.

Representatives on CASA include major employers (Google, Facebook, Genentech), for-profit and non-profit housing developers, housing advocates, charitable foundations and elected officials from large cities and counties.

Details about the CASA Compact can be found at MTC’s website:

<https://mtc.ca.gov/our-work/plans-projects/casa-committee-house-bay-area/about>

#### 11. How or why was CASA created and will it become State law?

CASA was created as a response to the statewide housing concerns, described in a report published in 2017 by the State of California titled, “*California’s Housing Future: Challenges and Opportunities.*” However, much of the CASA analysis and recommendations are focused on the San Francisco Bay Area.

CASA is not an actual legislative bill. However, it is recommended to be used as the framework for another round of state legislation in 2019, aimed at further expanding housing mandates at the expense of local government control.

#### 12. What are the Tri-Valley Cities doing to influence pending state legislation?

With over 100 housing bills likely to be introduced by State legislators in 2019, the Tri-Valley Cities (Danville, Dublin, Livermore, Pleasanton and San Ramon) are working together on a proactive and nuanced approach to advocacy and engagement. In addition to educating the public and stakeholders on these issues, the Tri-Valley Cities’ goals are to influence the legislative process and create a shared Tri-Valley position on key topics. The Tri-Valley Cities have prepared a “Housing Paper and Policy Framework” which will guide our efforts. While this approach provides common areas of concern, each city continues to pursue their own individual areas of concern that are unique to their needs.

## RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE [ \_\_\_\_\_ ] CITY/TOWN COUNCIL  
SUPPORTING THE TRI-VALLEY CITIES HOUSING AND POLICY  
FRAMEWORK AS A SUPPLEMENT TO THE TRI-VALLEY CITIES  
LEGISLATIVE FRAMEWORK ON HOUSING MATTERS**

**WHEREAS**, in 2017 the Tri-Valley cities of Dublin, Livermore, Pleasanton, and San Ramon and the Town of Danville (collectively known as the “Tri-Valley Cities”) acknowledge the importance of collaborating on a legislative advocacy framework, which resulted in the development of the Tri-Valley Cities Legislative Framework; and

**WHEREAS**, the Tri-Valley Cities recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

**WHEREAS**, in January of 2017, the State of California published a report titled “California’s Housing Future: Opportunities and Challenges,” which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide “housing crisis”; and

**WHEREAS**, in September of 2017, California Governor Jerry Brown signed into law the “Housing Package” consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

**WHEREAS**, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

**WHEREAS**, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

**WHEREAS**, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

**WHEREAS**, the State’s focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local jurisdictions; and

**WHEREAS**, the Tri-Valley Cities recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

**WHEREAS**, there is a unique opportunity for the Tri-Valley Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control of decision making; and

**WHEREAS**, the Tri-Valley Cities affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

**WHEREAS**, the Tri-Valley Cities have developed the Tri-Valley Cities Housing and Policy Framework to provide additional depth to the Tri-Valley Cities Legislative Framework in the area of housing; and

**WHEREAS**, the Tri-Valley Cities Housing and Policy Framework provides a comprehensive statement of the Tri-Valley cities legislative approach, reflecting the following Key Themes:

- Balanced Solutions – Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

**WHEREAS**, the Key Themes are topic areas where there is consensus among the Tri-Valley Cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

**WHEREAS**, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

**WHEREAS**, on February 27, 2019, the Tri-Valley Mayors and Councilmembers met to discuss the Tri-Valley Cities Housing and Policy Framework; and

**WHEREAS**, the \_\_\_\_\_ City/Town Council met on \_\_\_\_\_, 2019 to consider and discuss the Tri-Valley Cities Housing and Policy Framework;

**NOW, THEREFORE BE IT RESOLVED THAT THE \_\_\_\_\_ CITY/TOWN COUNCIL DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:**

**Section 1.** The Tri-Valley Cities Housing and Policy Framework is hereby supported as supplemental material to the existing Tri-Valley Cities Legislative Framework on matters related to housing legislation.

**Section 2.** The Tri-Valley Cities may from time-to-time revisit the Tri-Valley Cities Housing and Policy Framework to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

**PASSED, APPROVED AND ADOPTED** by the \_\_\_\_\_ City [Town] Council on March \_\_\_\_, 2019.

I, \_\_\_\_\_, City [Town] Clerk of the City [Town] of \_\_\_\_\_, California, certify that the foregoing resolution was adopted by the City [Town] Council at a regular meeting held on the \_\_\_\_ day of March 2019, by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

\_\_\_\_\_  
City/Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City/Town Attorney

# CITY COUNCIL STAFF REPORT

**DATE:** March 26, 2019

**TO:** City Council/City Manager

**FROM:** Debbie Chamberlain, Community Development Director  
By: Debbie Chamberlain, Community Development Director



**SUBJECT:** RESOLUTION NO. 2019-032 - Supporting the Tri-Valley Cities Housing and Policy Framework as a Supplement to the Tri-Valley Cities Legislative Framework on Housing Matters

## EXECUTIVE SUMMARY

In January of 2017, the State of California published a report titled "California's Housing Future Opportunities and Challenges," which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide "housing crisis." Recent initiatives at the regional level, through the Metropolitan Transportation Commission's (MTC) Committee to House the Bay Area (CASA), and by State Legislators have brought these challenges and resultant policy implications for San Ramon and the Tri-Valley into sharper focus. Several new housing bills have been introduced in the 2019 legislative session, and more are expected. The City of San Ramon, together with the Tri-Valley cities of Dublin, Livermore, Pleasanton, and the Town of Danville have created a Draft Housing and Policy Framework to supplement the existing broader Tri-Valley Legislative Framework and provide a comprehensive statement of the cities' legislative approach in the area of housing. The City Council is requested to consider endorsing the document and its series of Key Policy Themes, to support future legislative advocacy efforts on the topic of housing.

## RECOMMENDED ACTION

Receive the presentation and provide any additional comments on the CASA Summary and Response, and Adopt the Resolution supporting the Tri-Valley Cities Housing and Policy Framework.

## BACKGROUND/DISCUSSION

The "Tri-Valley Cities" are the Town of Danville and the cities of Dublin, Livermore, Pleasanton and San Ramon. While each jurisdiction has its own perspective on how to best meet the needs of its local residents and business communities, there are areas of overlap, which allows for



collaboration and advocacy that can strengthen the voice of the Tri-Valley. With the goal to build consensus and a united approach to address housing legislation as it is developed by State legislators. The Tri-Valley Cities have been working together for several years and have adopted a broad Legislative Framework to assist with education and advocacy work in seven Focus Areas:

1. Public Infrastructure
2. Transportation
3. Housing
4. Local Control
5. Fiscal Sustainability
6. Economic Development
7. Public Safety

### **Tri-Valley Housing and Policy Framework**

In late 2018 the staff from the Tri-Valley Cities came together to initiate a conversation around the topic of housing. While housing is a topic included in the broader Legislative Framework, it was apparent that a more in-depth conversation was necessary to effectively educate at the local level and advocate with legislators in Sacramento.

Around the same time, the Metropolitan Transportation Commission (MTC) released the CASA Compact. The Metropolitan Transportation Commission (MTC) formed CASA, or the Committee to House the Bay Area, to address the affordable housing crisis. CASA is a 21-member steering committee comprised of major employers, for-profit and nonprofit housing developers, affordable housing advocates, transportation professionals, charitable foundations and elected officials from large cities. Absent from this committee were members of the public and representatives from most suburban cities.

The Compact includes a series of policy ideas and proposals, which were intended to provide State lawmakers with ideas to address the production, protection, and preservation of housing. Much of the forthcoming State legislation is expected to dovetail with and be influenced by the CASA Compact, which was released in December 2018.

The CASA Compact sets out to achieve three goals for the Bay Area:

- Produce 35,000 housing units per year - *14,000 affordable to low-income and 7,000 to moderate-income, a 60% affordability rate;*
- Preserve 30,000 existing affordable units - *26,000 of which are market-rate affordable units and 4,000 that are at-risk over the next 5 years; and*
- Protect 300,000 lower-income households - *those who spend more than 50% of income on their housing.*

To achieve these goals, the Compact includes 10 Elements (or actions). Below is a brief summary of these elements:

### *Elements 1-3-Preserve and Protect*

Together, these elements represent the "preserve and protect" components of the Compact, including arguments for: just-cause eviction standards; rent caps; rent assistance; and free legal counsel.

### *Elements 4-8-Production*

Together, these elements are the "production" component of the Compact, with these subcategories:

- #4 Accessory Dwelling Units (ADUs)
- #5-7 Process streamlining and financial incentives for builders;
- #8 Using public land for affordable housing.

### *Elements 9-10-Revenue and Administration*

Together, these elements offer revenue generating mechanisms to fund the Compact and suggests the formation of a new independent regional "housing authority" to collect and distribute those funds.

A review of the Compact's proposals reveals three fundamental flaws. First, the *lack of transparency* in the process breeds distrust and generates significant public resistance to future affordable housing projects or funding. Second, the proposals would *induce traffic congestion* by mandating housing construction in the suburbs - away from the concentration of jobs created in San Francisco, San Mateo and Santa Clara counties. Lastly, the *one-size fits-all approach* is counterproductive and ineffective in the suburbs, yielding more housing units that are not necessarily more affordable. Attachment A is the complete text of the CASA Compact.

### **The Tri-Valley Response to CASA - The Housing and Policy Framework**

In response to the CASA Compact the Tri-Valley Cities developed The Housing and Policy Framework (Attachment B), as a response to each of the 10 Compact Elements, including:

- *Concerns and Considerations*, including a "Concern Status" of Low, Medium or High, based on an initial assessment of the degree of impact the particular policy approach is likely to have on Tri-Valley Cities; and/or conflict with positions outlined in the Key Themes, and a synopsis of key concerns.
- *Recommended Approach*, which reflect the Tri-Valley Cities' recommended advocacy position on the element, ranging (in order of most to least degree of support): Support/Expand, Support with Amendments, Oppose unless Amended, and Oppose. Several of the policies are noted as "Monitor" where there is known to be significant divergence of opinion among CASA stakeholders and others on an issue, and thus the greatest likelihood of a shift in policy outcomes from the current CASA recommendation.
- *TVC Policy Framework Key Themes*, which summarizes the Key Theme from the Housing Policy and Framework as they relate to the CASA Element.

The Housing and Policy Framework will provide a basis for the Tri-Valley cities, where appropriate, to work together influence legislative efforts, either individually or collectively. This

could come in the form of working through our lobbyist to propose revisions to draft legislation, and working with our State Assembly and Senate representatives, in an effort to shape new housing law as it is developed and proactively address known impacts sooner than later.

The Housing Policy and Framework was presented at the Tri-Valley Mayors and Council members meeting on February 27, 2019. The report was accepted by all 5 jurisdictions with a recommendation that each City Council consider the Housing and Policy Framework, and adoption of the Resolution. By adopting the resolution, the City Council is acknowledging support of the Housing Policy & Framework.

Finally, to support the public outreach component and included as Attachment A to The Housing Policy and Framework, is a Frequently Asked Questions (FAQ) document which outlines some of the basic elements of State housing law and a local jurisdiction's obligations, CASA and the CASA compact, and the current Tri-Valley legislative efforts.

**Pending Housing Related Legislation (2019)**

To date, approximately 20 of the 2,500+ new bills introduced in the 2019-2020 legislative cycle are housing legislation that are directly or loosely correlated to the CASA Compact, as summarized below (bills linked specifically to the Compact are shown in *italics*):

<b>CASA Compact Element</b>	<b>Related Bill(s)</b>
Element 1: Just Cause Eviction	<i>AB 1481</i> (Bonta) [spot bill] - Residential tenancy
Element 2: Rent Cap	<i>AB 1482</i> (Chiu) [spot bill] - Rights of residential tenants <i>AB 36</i> (Bloom) [spot bill] - Rent stabilization
Element 3: Rent Assistance, Free Legal Counsel	<i>SB 18</i> (Skinner) [spot bill] - “Keep Californians Housed Act”: Statewide rental assistance/homeless prevention grants, 90-day eviction notice
Element 4: Accessory Dwelling Units (ADUs)	<i>AB 68</i> (Ting) - ADUs: Reduce review timeframe to 60 days; restrictions on zoning standards, limits occupancy monitoring, parking <i>AB 69</i> (Ting) - ADUs: Small home building standards <i>SB 13</i> (Wieckowski) [spot bill] - ADUs: Reduce impact fees
Element 5: Minimum Zoning Near Transit	<i>SB 50</i> (Wiener) - “Equitable Communities Incentive”: Waivers from maximum density controls, parking requirements, and up to three additional incentives under existing Density Bonus Law
Element 6: “Good Government” Reforms (housing approvals)	<i>AB 1483</i> (Grayson) - Reporting requirements: Post standards and fees, submit annual report of pending developments to State HCD and MTC <i>AB 1484</i> (Grayson) - Prohibits cities from imposing, increasing or extending fees not specifically listed on their websites <i>SB 330</i> (Skinner) - “Housing Crisis Act of 2019”: Among other things, prohibits cities and voter-approved initiatives from down-zoning land, imposing moratoriums, costly design standards, caps on discretionary approvals, and establishes maximum 3 de novo hearings
Element 7: Permit	<i>AB 1485</i> (Wicks/Quirk) [spot bill] - Housing development streamlining

Streamlining, Financial Incentives	AB 1706 (Quirk) [spot bill] - Affordable housing streamlining SB 6 (Beall/McGuire) [spot bill] - Database of available land for housing development
Element 8: Public Lands	AB 1486 (Ting) - Public land for housing development: Expands definitions of "local agency," public notification and prioritization requirements when disposing of public lands
Element 9: Funding and Financing	AB 1487 (Chiu) - Changes to Housing Element Law(non-substantive) AB 10 (Chiu) - Expands the state's existing Low Income Tax Credits for farmworker housing AB 11 (Chiu) - "Community Redevelopment Law of 2019": Authorize formation of affordable housing and infrastructure agencies, funded through tax increment financing SB 5 (Beall/McGuire) - Establishes the "Local-State Sustainable Investment Incentive Program" to finance affordable housing; to be administered by the "Sustainable Investment Incentive Committee" ACA 1 (Aguiar-Curry) - Financing for affordable housing and public infrastructure, creating additional exception to the 1% limit on the ad valorem tax rate on real property, lowers voter threshold to 55% for bond indebtedness
Element 10: Regional Housing Enterprise	SB 5 (Beall/McGuire) - Establishes the "Sustainable Investment Incentive Committee" to administer "Local-State Sustainable Investment Incentive Program"

### **Senate Bill 50**

One bill that has received significant attention that the City has been following and can provide additional information on at this time is SB 50. SB 50 is an evolution of Senator Wiener's 2018 proposed bill, SB 827. It is a developer opt-in bill that would require a city or county to grant an "equitable communities incentive," which is a waiver from maximum controls on density, height, and parking spaces per unit, and up to three concessions (such as deviation from setbacks or other development standards), if the project provides low, very low or extremely low income housing and is located in a "job rich housing project" or "transit-rich housing project," as defined below.

"Transit-rich housing project" means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

"Job-rich housing project" means a residential development within an area identified by the Department of Housing and Community Development and the Governor's Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs.

The League of California Cities Housing, Community and Economic Development Policy Committee (HCED) discussed SB 50 at their January 17, 2019 meeting. HCED took a position to oppose the bill unless amended. A summary of SB 50, which was presented to HCED on January 17, 2019, is included as Attachment A of the Tri-Valley Housing Policy Framework.

### **FISCAL IMPACT**

No fiscal impacts associated with signing of the Resolution in Support.

**NEXT STEPS**

1. Mayor to sign Resolution.
2. Staff will continue to monitor new 2019 housing bills that may impact San Ramon.

**ATTACHMENT:**

A: CASA Compact

B: Tri-Valley Cities Housing and Policy Framework Packet 2.20.19

March 5, 2019  
Community Development  
Planning Division

**TITLE: HOUSING DISCUSSION INCLUDING: 1) REVIEW AND ACCEPT THE TRI-VALLEY CITIES HOUSING AND POLICY FRAMEWORK; 2) REVIEW AND COMMENT ON CASA COMPACT SUMMARY AND RECOMMENDATIONS; AND 3) RECEIVE PRESENTATION ON EMERGING 2019 STATE HOUSING LEGISLATION**

### **SUMMARY**

There have been a number of recent, significant efforts at the State and regional level to address a range of issues associated with state-wide underproduction of housing units – issues that have collectively become widely described as California’s “housing crisis.” Recent initiatives at the regional level, through the Metropolitan Transportation Commission’s (MTC) Committee to House the Bay Area (CASA), and by State legislators have brought these challenges and resultant policy implications for Pleasanton and the Tri-Valley into sharper focus. Several new housing bills have been introduced in the 2019 legislative session, and more are expected. The City of Pleasanton, together with the Tri-Valley cities of Dublin, Livermore, San Ramon, and the Town of Danville have created a Draft Housing and Policy Framework (see Attachment 2), to supplement the existing broader Tri-Valley Legislative Framework and provide a comprehensive statement of the cities’ legislative approach in the area of housing. The City Council is requested to consider endorsing the document and its series of Key Policy Themes, to support future legislative advocacy efforts on the topic of housing.

Also in support of this goal, this report includes a summary of the December 2018 CASA Compact and Tri-Valley Cities’ initial recommendations, and an overview of forthcoming legislation, including the proposed Senate Bill (SB) 50. Staff will continue to closely monitor SB 50 and other emerging legislation, with the expectation that the City will proactively engage in efforts to shape outcomes, and take a position on key legislation at the appropriate times.

### **RECOMMENDATION**

It is recommended that the City Council:

- 1) Adopt the Resolution supporting the Tri-Valley Cities Housing and Policy Framework;

2) Receive the presentation and provide any additional comments on the CASA Summary and Response; and

3) Receive the presentation summarizing forthcoming legislation, and provide comments and direction to staff with respect to advocacy efforts.

## **FINANCIAL STATEMENT**

No financial changes result from this report.

## **BACKGROUND**

On February 19, 2019, the City Council received a report, providing an update on 2017 and 2018 housing legislation; an overview of the Regional Housing Needs Allocation (RHNA) and Housing Element process, and a brief introduction to upcoming housing legislation. At the meeting, staff also presented background on historic local and regional growth trends, showing, despite a recent uptick in multi-family housing production, relatively measured housing growth in Pleasanton over the past decade. Staff and the City Council discussed some of the challenges that lie ahead to prepare, plan for, and respond to forthcoming housing legislation and the RHNA and Housing Element cycle. Since that meeting, staff has prepared a comprehensive analysis identifying key factors that have contributed to growth in Pleasanton and provided a perspective on the future of housing in the city titled Housing in Pleasanton. This comprehensive guide to the history of housing in Pleasanton is included as Attachment 6 reference. This March 5 Agenda Report presents a more detailed discussion of upcoming legislation, and lays groundwork for the City's considered response to it, through the Tri-Valley Housing and Policy Framework.

## **DISCUSSION**

### **Tri-Valley Housing and Policy Framework**

#### Background

The "Tri-Valley Cities" are the Town of Danville and the cities of Dublin, Livermore, Pleasanton and San Ramon. While each jurisdiction has its own perspective on how to best meet the needs of its local residents and business communities, there are areas of overlap, which allows for collaboration and advocacy that can strengthen the voice of the Tri-Valley. With the goal to build consensus and a united approach to address housing legislation as it is developed by State legislators, the Tri-Valley Cities have been working together for several years and have adopted a broad Legislative Framework to assist with education and advocacy work in seven Focus Areas:

1. Public Infrastructure
2. Transportation
3. Housing
4. Local Control
5. Fiscal Sustainability
6. Economic Development
7. Public Safety

## Tri-Valley Housing and Policy Framework

### *Why Create a Housing & Policy Framework?*

In late 2018 the staff from the Tri-Valley Cities came together to initiate a conversation around the topic of housing. While housing is a topic included in the broader Legislative Framework, it was apparent that a more in-depth conversation was necessary to effectively educate at the local level and advocate with legislators in Sacramento.

Around the same time, the Metropolitan Transportation Commission (MTC) released the CASA Compact. The Compact includes a series of policy ideas and proposals, which were intended to provide State lawmakers with ideas to address the production, protection, and preservation of housing. **It is expected that the CASA Compact will be the foundation or springboard for State-wide legislative efforts on the topic of housing in the coming years.** (A summary and initial response to the CASA Compact, and overview of key 2019 legislation is provided later in this report.)

Recent history, the magnitude of the affordable housing crisis, as well as the new political landscape in Sacramento makes it clear that simply opposing new legislation is unlikely to be an effective strategy. Instead, and at least in certain areas, the Tri-Valley Cities, individually and collectively, will be best served by collaborating to influence legislative efforts in a variety of ways, including proposing revisions to draft legislation, and working with our State Assembly and Senate representatives, in an effort to shape new housing law as it is developed and proactively address known impacts sooner than later.

### *What's in the Housing Policy and Framework?*

The document sets the stage with a discussion of the role of the Housing Element and the Regional Housing Needs Allocation (RHNA) process, and also includes an overview of key legislation passed since 2017, including consequential bills such as: "No Net Loss" (SB 166); the Housing Accountability Act (SB 167, AB 678 and AB 1515); and streamlined processing for high density and affordable housing projects (SB 35).

The core of the Housing Policy and Framework is five "Key Themes" which summarize consensus positions among the Tri-Valley Cities, to be deployed in efforts to inform, educate and advocate on the topic of housing. They include:

- Balanced Solutions – Equal policy consideration to housing, employment, and transportation/transit in proposed solutions.
- **Provide, Promote, and Protect Affordability** – Preserve the existing housing stock, promote new housing with long-term affordability, and ensure that mandated incentives, bonuses, and fee reductions are commensurate with actual affordability.
- Context-Sensitive Housing – Ensure policies and laws allow for sensitivity to local context and avoid "one-size-fits-all" approaches.



- Infrastructure and Services – Develop solutions that address impacts associated with any new requirements.
- Funding and Resources – Avoid unduly impacting or diverting local revenue sources, and creation of unfunded mandates.

The Housing Policy and Framework will be presented to the Tri-Valley Mayors and Councilmembers meeting on February 27. Due to the timing of publication of this report, comments from the Tri-Valley City Mayors and City Councilmembers will be reported as part of the staff presentation for this item on March 5.

The City Council is requested to consider the Housing and Policy Framework, and adoption of the Resolution included as Attachment 1, acknowledging the City Council's support of the Housing Policy & Framework. Similar requests will be made of each of the Tri-Valley City and Town Councils over coming weeks.

A Frequently Asked Questions (FAQ) document has also been prepared (Attachment 3), which outlines some of the basic elements of State housing law and a local jurisdiction's obligations; CASA and the CASA compact; and the current Tri-Valley legislative efforts.

### **CASA AND THE CASA COMPACT**

Much of the forthcoming State legislation is expected to dovetail with and be influenced by the CASA Compact, which was released in December 2018. The Metropolitan Transportation Commission (MTC) formed CASA, or the Committee to House the Bay Area, to address the affordable housing crisis. **CASA is a 21-member steering committee comprised of major employers, for-profit and nonprofit housing developers, affordable housing advocates, transportation professionals, charitable foundations and elected officials from large cities.**

While some jurisdictions are likely to support the philosophical principles of the CASA Compact, many have expressed **concerns** that revolve around three main issues:

1. It's one size fits all approach, where many of the solutions proposed are better suited for dense urban downtowns than suburban and rural contexts;
2. Focus on housing-only solutions, at the expense of balanced approaches, such as creating job centers near existing housing; and
3. The lack of overall public engagement in the CASA process.

CASA's work product is referred to as the CASA Compact (Compact), a 10-point plan to remedy the Bay Area's housing issues.

### CASA Compact Summary

The CASA Compact sets out to achieve three goals for the Bay Area:

- Produce 35,000 housing units per year - 14,000 affordable to low-income and 7,000 to moderate-income, a 60% affordability rate;
- Preserve 30,000 existing affordable units - 26,000 of which are market-rate affordable units and 4,000 that are at-risk over the next 5 years; and
- Protect 300,000 lower-income households - those who spend more than 50% of income on their housing).

To achieve these goals, the Compact includes 10 Elements (or actions). Below is a brief summary (see Attachment 2 of the Tri-Valley Cities Housing Policy and Framework, which is Attachment 1, for a more detailed overview):

*Elements 1-3 – Preserve and Protect*

Together, these elements represent the “preserve and protect” components of the Compact, including arguments for: just-cause eviction standards; rent caps; rent assistance; and free legal counsel.

*Elements 4-8 – Production*

Together, these elements are the “production” component of the Compact, with subcategories, including: accessory dwelling units (ADUs); process streamlining and financial incentives; and using public land for affordable housing.

*Elements 9-10 – Revenue and Administration*

Together, these elements offer revenue generating mechanisms to fund the Compact and suggests the formation of a new independent regional “housing authority” to collect and distribute those funds.

The Compact concludes with “Calls for Action,” which were ideas that garnered sufficient interest from the CASA steering committee, but not enough to become a stand-alone element in the Compact. A brief discussion of these can also be found in Attachment 1.

Tri-Valley Cities Response to the CASA Compact

The Housing and Policy Framework includes, as Attachment 1, a response to each of the 10 Compact Elements, including:

- *Concerns and Considerations*, including a “Concern Status” of Low, Medium or High, based on an initial assessment of the degree of impact the particular policy approach is likely to have on Tri-Valley Cities; and/or conflict with positions outlined in the Key Themes; and a synopsis of key concerns.
- *Recommended Approach*, which reflect the Tri-Valley Cities’ recommended advocacy position on the element, ranging (in order of most to least degree of support): Support/Expand, Support with Amendments, Oppose unless Amended, and Oppose. Several of the policies are noted as “Monitor” where there is known

to be significant divergence of opinion among CASA stakeholders and others on an issue, and thus the greatest likelihood of a shift in policy outcomes from the current CASA recommendation.

- *TVC Policy Framework Key Themes*, which summarizes the Key Theme from the Housing Policy and Framework as they relate to the CASA Element.

#### Pleasanton's Response to CASA: Discussion Topics

As the Tri-Valley Cities Housing Policy and Framework was developed, it was acknowledged that each jurisdiction is unique and there are areas where we will need to educate and advocate independently (and beyond the level of specificity in the Housing Policy and Framework). As the City develops its more detailed response to CASA and forthcoming housing legislation, the following Pleasanton-specific policy objectives and ideas, in addition to the topics included in the Housing Policy and Framework, are being put forward for discussion:

- Local Control – Protect and prioritize local land use control.
- Voter-rights – Preserve authority to implement voter-approved initiatives, including growth management, enforcement of Urban Growth Boundaries; and hillside and open space protection measures.
- Local Context – Respect Local Character and Context, including examples such as:
  - Exempt historic downtowns and districts from drastic height and density increases;
  - Allow discretion for local context by city in setting height limitations; and
  - Exempt suburban bus lines, which are subject to route and headway modifications outside of the control of the City, and low-frequency fixed rail service like ACE, from “transit-rich” or “transit-proximate” definitions.
- Bureaucracy – Avoid duplication of existing functions and utilize existing governance structures. Mechanisms already exist to bring about compliance with state mandates, and a regional (new or extra) governance structure is not necessary.
- Affordability – When a city must accommodate high density projects, require that they include a substantial proportion of affordable units; especially for low- and very-low income (30%-50% AMI) households.
- Fiscal Impact – Minimize the fiscal effect of financial incentives for affordable housing: for example, consider deferred payments of property taxes, rather than permanent abatement; and phased payments of impact fees over time, rather than outright exemptions.

- **Unfunded Mandates** – Additional reporting and monitoring, as well as significant time necessary to update local policies and regulations takes resources from other local planning needs.
- **Incentives** – Reward proactive housing planning efforts, local and subregional, by providing increased funding for transportation and affordable housing.
- **Service Impacts** – Better account for and mitigate service impacts associated with increased housing unit production/resident needs, i.e., schools, water, sewer, transportation, parks, libraries, etc.

City Council Action

Staff requests that the City Council discuss the CASA Compact and Tri-Valley Cities recommended approach as summarized in Attachment 1 of the Housing and Policy Framework and provide any additional comments to staff that will help inform Pleasanton’s advocacy efforts and unique needs.

**PENDING HOUSING-RELATED LEGISLATION (2019)**

The 2019 State legislative cycle, whose deadline for introduction of new bills was February 22, 2019, has already generated numerous housing-related bills. Given how recent the deadline, and timing for drafting of this agenda report, Attachment 4 provides an initial and summary list of 62 housing-related bills likely to be of greatest interest or impact to Pleasanton, with the expectation that it will be refined and updated as bills undergo revision. Attachment 5 provides a more comprehensive list of 88 bills (inclusive of the 62 noted above), on a “watch list” developed by the Townsend Public Affairs, Inc. that may potentially impact municipal operations.

As the City Council is aware, the legislative process is complex, with numerous steps for review, comment and revisions before any bill is ultimately voted on and/or signed into law. Most bills will undergo significant revision between their introduction and potential signing by the Governor. In fact, many of the bills introduced up to this point are “spot bills,” which essentially allows them to act as placeholders while details are developed and it’s also possible for any bill to be abandoned or for the content to change dramatically.

Given the early stage of the legislative cycle, staff does not recommend that the City Council adopt a position on any bill at this point. Staff will closely monitor and work with the City Council’s Legislative Subcommittee, as well as with other partners like the League of California Cities and the City’s legislative advocacy firm, Townsend Public Affairs, to prioritize the City’s focus and ensure the City’s position is appropriately reflected in our advocacy work.

Senate Bill 50

One bill that has received significant attention that the City has been following and can provide additional information on at this time is SB 50. SB 50 is an evolution of Senator Wiener’s 2018 proposed bill, SB 827. It is a developer opt-in bill that would require a city

or county to grant an “equitable communities incentive,” which is a waiver from maximum controls on density, height, and parking spaces per unit, and up to three concessions (such as deviation from setbacks or other development standards), if the project provides low, very low or extremely low income housing and is located in a “job-rich housing project” or “transit-rich housing project,” as defined below.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“Job-rich housing project” means a residential development within an area identified by the Department of Housing and Community Development and the Governor’s Office of Planning and Research, based on indicators such as proximity to jobs, high area median income relative to the relevant region, and high-quality public schools, as an area of high opportunity close to jobs.

The League of California Cities Housing, Community and Economic Development Policy Committee (HCED) discussed SB 50 at their January 17, 2019 meeting. HCED took a position to oppose the bill unless amended. A summary of SB 50, which was presented to HCED on January 17, 2019, is included as (Attachment 2 of the Tri-Valley Housing Policy Framework (Attachment 2)).

Council’s input and direction on this bill would be appreciated at this time, since the bill is further developed and advocacy has already begun with the bills authors.

### **CONCLUSION AND NEXT STEPS**

This agenda item, including the requested endorsement of the Tri-Valley Housing and Policy Framework is an early and foundational step in the City’s engagement with forthcoming housing legislation, and the broader community discussion around housing in Pleasanton that will continue through the next Regional Housing Needs Allocation (RHNA) and Housing Element update cycle and beyond.

As noted above, staff will continue to closely monitor the new bills proposed as part of the 2019 legislative cycle, and engage with decision-makers to develop responses to, and clear positions on, those with the potential to impact the community. Critical to this strategy will be efforts to directly engage with the drafting process, to influence the legislation in ways that support local decision-making and control; do not have negative impacts on the city’s financial resources or services; and ensure that the Pleasanton’s character and local conditions are respected.

Equally important will be a process of community engagement and information-sharing – through documents such as the “Frequently Asked Questions” included as Attachment 3, so that there is a growing understanding and awareness across the entire community regarding the topic of housing.

Submitted by:



Gerry Beaudin  
Director of Community  
Development

Approved by:



Nelson Fialho  
City Manager

Attachments:

1. Resolution Supporting the Tri-Valley Cities Housing and Policy Framework
2. Tri-Valley Cities Housing and Policy Framework
3. Housing and Policy Framework Frequently Asked Questions
4. Summary of Key Housing Bills of Potential Interest to Pleasanton
5. Townsend Public Affairs, Inc. Pending Legislation Summary, as of February 25, 2019
6. Housing in Pleasanton (a history of growth and housing in Pleasanton)

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON  
SUPPORTING THE TRI-VALLEY CITIES HOUSING AND POLICY  
FRAMEWORK AS A SUPPLEMENT TO THE TRI-VALLEY CITIES  
LEGISLATIVE FRAMEWORK ON HOUSING MATTERS**

**WHEREAS**, in 2017 the Tri-Valley cities of Dublin, Livermore, Pleasanton, and San Ramon and the Town of Danville (collectively known as the “Tri-Valley Cities”) acknowledge the importance of collaborating on a legislative advocacy framework, which resulted in the development of the Tri-Valley Cities Legislative Framework; and

**WHEREAS**, the Tri-Valley Cities recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

**WHEREAS**, in January of 2017, the State of California published a report titled “California’s Housing Future: Opportunities and Challenges,” which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide “housing crisis”; and

**WHEREAS**, in September of 2017, California Governor Jerry Brown signed into law the “Housing Package” consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

**WHEREAS**, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

**WHEREAS**, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

**WHEREAS**, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

**WHEREAS**, the State’s focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local jurisdictions; and

**WHEREAS**, the Tri-Valley Cities recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

**WHEREAS**, there is a unique opportunity for the Tri-Valley Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address housing needs, while respecting community character and desire for local control of decision making; and

**WHEREAS**, the Tri-Valley Cities affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

**WHEREAS**, the Tri-Valley Cities have developed the Tri-Valley Cities Housing and Policy Framework to provide additional depth to the Tri-Valley Cities Legislative Framework in the area of housing; and

**WHEREAS**, the Tri-Valley Cities Housing and Policy Framework provides a comprehensive statement of the Tri-Valley cities legislative approach, reflecting the following Key Themes:

- Balanced Solutions – Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

**WHEREAS**, the Key Themes are topic areas where there is consensus among the Tri-Valley Cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

**WHEREAS**, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

**WHEREAS**, on February 27, 2019, the Tri-Valley Mayors and Councilmembers met to discuss the Tri-Valley Cities Housing and Policy Framework; and

**WHEREAS**, the City Council of Pleasanton met on March 5, 2019 to consider and discuss the Tri-Valley Cities Housing and Policy Framework;

**NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:**



**Section 1.** The Tri-Valley Cities Housing and Policy Framework is hereby supported as supplemental material to the existing Tri-Valley Cities Legislative Framework on matters related to housing legislation.

**Section 2.** The Tri-Valley Cities may from time-to-time revisit the Tri-Valley Cities Housing and Policy Framework to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

**PASSED, APPROVED AND ADOPTED** by the City Council of Pleasanton at a regular meeting held on March 5, 2019.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 5<sup>th</sup> day of March 2018, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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Karen Diaz, City Clerk

APPROVED AS TO FORM:

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Daniel G. Sodergren, City Attorney



DATE: March 25, 2019  
TO: Honorable Mayor and City Council  
FROM: Marc Roberts, City Manager  
SUBJECT: 2019 Livermore State and Federal Legislative Platform

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution approving the 2019 Livermore State and Federal Legislative Platform, and adopt a separate resolution approving the Tri-Valley Cities Housing and Policy Framework as part of the City's 2019 Legislative Platform.

SUMMARY

The City's State and Federal Legislative Platform allows the City to respond quickly in support of, or opposition to, legislative issues, for the benefit of the Livermore community.

The 2019 State and Federal Legislative Platform also includes the Tri-Valley Cities Housing and Policy Framework (Framework). The Framework and attached pertinent supporting documents allows the City to respond quickly in support of, or opposition to, housing-specific legislation. The Framework is important given the large number of housing bills currently proposed and expected in the next two-year legislative cycle.

DISCUSSION

The Livermore State and Federal Legislative Platform (Platform) documents the City's position on several legislative categories. The proposed positions and categories are based on Council goals, priorities, policies, and community core values. The Platform also provides a framework to respond quickly to legislative bills and communicate with legislators on issues affecting Livermore. The City Council adopted its first State Platform in 2013, and the document has since been updated annually. In 2015, the Council directed staff to also use the Platform as a guide for federal bill tracking and action.

Annual updates to the Platform reflect adjustments based on changing City needs, interests, and conditions at the regional, state, and federal levels.

The 2019 Platform categories are:

- City Local Control
- Fiscal Stability
- Affordable Housing and Homelessness
- Planning and Sustainability
- Infrastructure
- Job Creation and Economic Development
- Libraries
- Public Safety
- Science, Technology, and Innovation
- Transportation and Parking
- Water

The Livermore State and Federal Legislative Platform is located on the City's website at [www.cityoflivermore.net/legislation](http://www.cityoflivermore.net/legislation).

#### Tri-Valley Cities Housing and Policy Framework

In 2017, acknowledging the importance of collaborating as a region on legislative advocacy issues, the Tri-Valley cities of Dublin, Livermore, Pleasanton, San Ramon, and the Town of Danville (collectively known as the Tri-Valley Cities) adopted a legislative framework (Tri-Valley Cities Legislative Framework).

Over the past few months, staff has coordinated with the Tri-Valley Cities (TVC) of Dublin, Pleasanton, San Ramon, and the Town of Danville, to develop an additional, unified housing-specific legislative framework as the basis for responding to State legislation focused on housing production. The TVC worked collaboratively to identify areas of consensus around housing related legislative advocacy efforts to ensure that future bills reflect local conditions and context.

The result of this effort is the draft *Tri-Valley Cities Housing and Policy Framework*, which also includes the following documents: Responses to the CASA Compact, Summary of SB50 (higher density housing around high quality transit), and a Frequently Asked Questions document for the public (Attachment 1).

On February 11, the City Council provided direction on draft housing policy framework themes. Those same themes are listed below and were included in the TVC Housing and Policy Framework. See the attached February 11 staff report for more details on state and regional efforts to facilitate affordable housing production, pending legislation, and state mandated housing numbers for Livermore.

TVC Housing and Policy Framework Key Themes:

- Balanced Solutions – Housing, Jobs & Transportation
- Provide, Promote, and Protect Affordability
- Context-Sensitive Housing
- Infrastructure and Services
- Funding and Resources

On February 27, the Tri-Valley cities Mayors and Councilmembers reviewed the draft Framework. There was consensus to send the Framework, as is, to each individual city for review. Cities that approve the Framework will be able to advocate collectively for a more effective approach.

While the Framework provides areas of consensus for the Tri-Valley Cities, each city will continue to advocate for its own individual areas of unique and sensitive concern. For that reason, the City Council can recommend additional Livermore-specific housing policy as an addendum to the Framework.

Staff will update the City website and post to the City's various social media platforms to inform and educate the Livermore community about the City's legislative efforts. Community outreach will also highlight the City's collaborative work with the other Tri-Valley cities to influence our legislators as a five-city region.

FISCAL AND ADMINISTRATIVE IMPACTS

There are no fiscal or administrative impacts associated with City Council adoption of the 2019 Livermore State and Federal Legislative Platform, including the Tri-Valley Cities Housing and Policy Framework.

ATTACHMENTS

1. Tri-Valley Cities Housing and Policy Framework
2. February 11, 2019 City Council Staff Report on Housing and Policy Framework

Prepared by:

Christine Martin  
Deputy City Manager

Approved by:



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Marc Roberts  
City Manager

Fiscal Review by:



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Douglas Alessio  
Administrative Services Director



TO: Mayor and Town Council

March 19, 2019

SUBJECT: Resolution No. 16-2019, accepting the Danville analysis and adopting policy positions related to the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area*; and

Resolution No. 17-2019, supporting the Tri-Valley Cities Housing and Policy Framework as a supplement to the Tri-Valley Cities Legislative Framework on housing matters

### BACKGROUND

Historically, California housing costs have been higher than most areas in the United States. Continued job growth has resulted in high demand and limited supply. Geographic constraints, environmental protections and Proposition 13 have amplified the challenge and resulted in a statewide median home price that is nearly double the nationwide median.

Over the past few decades, the State of California ("State") has enlarged its role to address the housing supply and affordability challenges by passing an increasing number of housing laws. Most recently, the State crafted 15 new housing bills known as the "2017 Housing Package." Despite the objection of many communities, including Danville, the bills became law in late 2017.

In a parallel effort, also in 2017, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) created the Committee to House the Bay Area, also known as CASA. Representatives on CASA include major employers, for-profit and non-profit housing developers, housing advocates, charitable foundations and elected officials from large cities and counties. Notably absent from this committee are members of the public and representatives from most suburban cities.

Over the course of 18 months in an insulated think-tank environment, CASA developed the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area*. Although housing supply and affordability are issues of statewide concern, the CASA Compact focused only on the Bay Area's housing problems and proposes to tackle them through the *production* of 35,000 housing units per year, *preservation* of 30,000 affordable units, and *protection* of 300,000 lower-income households.

## DISCUSSION

The CASA Compact (“Compact”), unveiled in December 2018, is a 10-point action plan intended to be adopted as a package of new state laws. For ease of understanding, each category of actions (referred to as “elements” in the Compact) can be grouped as follows:

Elements 1-3: These elements represent the “preserve and protect” components of the Compact (just-cause eviction standards, rent cap, rent assistance and free legal counsel).

Elements 4-8: These elements are the “production” component of the Compact, with these subcategories:

#4: More Accessory Dwelling Units (ADUs)

#5-7: Process streamlining and financial incentives for builders

#8: Using public lands for affordable housing

Elements 9-10: These elements offer revenue generating mechanisms to fund the Compact and seeks the formation of a new independent regional housing agency to collect and distribute those revenues.

A review of the Compact’s proposals reveals three fundamental flaws. First, the *lack of transparency* in the process breeds distrust and generates significant public resistance to future affordable housing projects or funding. Second, the proposals would *induce traffic congestion* by mandating housing construction in the suburbs - away from the concentration of jobs created in San Francisco, San Mateo and Santa Clara counties. Lastly, the *one-size-fits-all* approach is counterproductive and ineffective in the suburbs, yielding more housing units that are not necessarily more affordable. The complete text of the CASA Compact is included as Attachment B.

### **Monitoring State Legislation**

CASA’s effort to tackle a complex statewide issue represents the aggressive extent to which housing advocates believe this issue must be addressed through legislation. While many Bay Area cities are just becoming aware of its far-reaching proposals, the ideas introduced by CASA have made their way to the new governor and state legislature – as was intended.

To date, approximately 20 of the 2,500+ new bills introduced in the 2019-2020 legislative cycle are housing legislation that are directly or loosely correlated to the CASA Compact, as summarized below (bills linked specifically to the Compact are shown in *italics*):

<b>CASA Compact Element</b>	<b>Related Bill(s)</b>
Element 1: Just Cause Eviction	<i>AB 1481</i> (Bonta) [spot bill] – Residential tenancy
Element 2: Rent Cap	<i>AB 1482</i> (Chiu) [spot bill] – Rights of residential tenants <i>AB 36</i> (Bloom) [spot bill] – Rent stabilization
Element 3: Rent Assistance, Free Legal Counsel	<i>SB 18</i> (Skinner) [spot bill] – “Keep Californians Housed Act”: Statewide rental assistance/homeless prevention grants, 90-day eviction notice
Element 4: Accessory Dwelling Units (ADUs)	<i>AB 68</i> (Ting) - ADUs: Reduce review timeframe to 60 days; restrictions on zoning standards, limits occupancy monitoring, parking <i>AB 69</i> (Ting) – ADUs: Small home building standards <i>SB 13</i> (Wieckowski) [spot bill] – ADUs: Reduce impact fees
Element 5: Minimum Zoning Near Transit	<i>SB 50</i> (Wiener) – “Equitable Communities Incentive”: Waivers from maximum density controls, parking requirements, and up to three additional incentives under existing Density Bonus Law
Element 6: “Good Government” Reforms (housing approvals)	<i>AB 1483</i> (Grayson) – Reporting requirements: Post standards and fees, submit annual report of pending developments to State HCD and MTC <i>AB 1484</i> (Grayson) – Prohibits cities from imposing, increasing or extending fees not specifically listed on their websites <i>SB 330</i> (Skinner) – “Housing Crisis Act of 2019”: Among other things, prohibits cities and voter-approved initiatives from down-zoning land, imposing moratoriums, costly design standards, caps on discretionary approvals, and establishes maximum 3 de novo hearings
Element 7: Permit Streamlining, Financial Incentives	<i>AB 1485</i> (Wicks/Quirk) [spot bill] – Housing development streamlining <i>AB 1706</i> (Quirk) [spot bill] – Affordable housing streamlining <i>SB 6</i> (Beall/McGuire) [spot bill] - Database of available land for housing development
Element 8: Public Lands	<i>AB 1486</i> (Ting) – Public land for housing development: Expands definitions of “local agency,” public notification and prioritization requirements when disposing of public lands
Element 9: Funding and Financing	<i>AB 1487</i> (Chiu) – Changes to Housing Element Law(non-substantive) <i>AB 10</i> (Chiu) – Expands the state’s existing Low Income Tax Credits for farmworker housing <i>AB 11</i> (Chiu) – “Community Redevelopment Law of 2019”: Authorize formation of affordable housing and infrastructure agencies, funded through tax increment financing <i>SB 5</i> (Beall/McGuire) – Establishes the “Local-State Sustainable Investment Incentive Program” to finance affordable housing; to be administered by the “Sustainable Investment Incentive Committee” <i>ACA 1</i> (Aguiar-Curry) - Financing for affordable housing and public infrastructure, creating additional exception to the 1% limit on the ad



	valorem tax rate on real property, lowers voter threshold to 55% for bond indebtedness
Element 10: Regional Housing Enterprise	SB 5 (Beall/McGuire) - Establishes the "Sustainable Investment Incentive Committee" to administer "Local-State Sustainable Investment Incentive Program"

Information provided above is accurate as of publication of this staff report. However, housing bills will be amended or augmented during the legislative process, which will extend into this fall.

**California State Budget: Trailer Bill**

Newly elected Governor Gavin Newsom has clearly stated his intent to tackle the state’s housing challenges. In the first few months of his governorship, he has demonstrated a willingness to hold governments accountable to state housing laws - from suing the City of Huntington Beach to threatening to withhold transportation funding.

Recently, he has unveiled a budget trailer bill which would provide \$1.75 billion in planning grants, tax credits and loans to stimulate low, mixed and middle-income housing production. A preliminary analysis indicates that the bill also seeks long-term reform of the Regional Housing Needs Allocation (RHNA) process, higher short-term housing goals, and “opportunities to link transportation and other non-housing funding” in a manner that supports achieving those ambitious housing goals. Specifically, the Governor continues to consider withholding gas tax funding from jurisdictions that do not “have a compliant housing element and has not zoned and entitled for its updated annual housing goals.” Similar to the legislative bills, the Governor’s proposals are subject to change throughout the budget process.

**Danville: Legislative Advocacy and Community Outreach**

In response to the CASA Compact and anticipated new state housing laws, the Town has analyzed the Compact’s proposals and outlined a corresponding policy position for each element (Attachment C). Given the speed at which housing bills are anticipated to advance through the state legislature, the Town Council provided direction at its February 12, 2019 Study Session for staff and advocacy representatives to:

- a. Advocate for a *more balanced approach* that seeks to achieve a regional *balance of jobs, housing, and transportation* through the recommended policy positions contained in *Attachment C*; *actively discourage legislation that would advance one of these components at the expense of any other.*
- b. Advocate for approaches that *preserve local decision-making* ability to ensure that new developments fit within the fabric of the existing community while meeting regional housing needs.

- c. *Engage with other jurisdictions to develop a countywide and/or subregional framework in response to upcoming legislation related to the subject.*
- d. *Engage with State legislators to help craft legislative amendments that are consistent with the Town's balanced approach.*
- e. *Undertake a community outreach effort to educate Danville residents of upcoming legislation that could significantly affect Danville's ability to review and approve future housing developments.*

The Town's position on responding to upcoming new state housing legislation is summarized in Resolution 16-2019 (Attachment A).

### **Subregional Effort: Tri-Valley Cities**

Consistent with Town Council direction, staff from the Tri-Valley Cities (TVC) of Danville, San Ramon, Dublin, Pleasanton and Livermore have partnered to develop a subregional response - a strategy to influence legislation in a way that will address the region's housing needs in a manner that respects local community character and decision making.

This collaborative effort culminated in the development of the *Tri-Valley Cities Housing and Policy Framework* ("TVC Framework"), included as Attachment D. This framework was unanimously endorsed by all five cities/town at the February 27, 2019 Tri-Valley Cities Council Meeting. Each of the member TVC cities/town are now in the process of adopting resolutions in support of the subregional policy framework (Attachment D, Exhibit 1). The City of Pleasanton passed the TVC Framework resolution on March 5, 2019 while San Ramon, Dublin and Livermore are scheduled to do so later this month.

*Danville supports the broader subregional perspective of the TVC Framework (Resolution 17-2019), which parallels the Town's local policy positions on the CASA Compact and emerging housing legislation (Resolution 16-2019).*

### **PUBLIC CONTACT**

Posting of the meeting agenda serves as notice to the general public.

### **FISCAL IMPACT**

None.

## RECOMMENDATION

Resolution No. 16-2019, accepting the Danville analysis and adopting policy positions related to the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area*; and Resolution No. 17-2019, supporting the Tri-Valley Cities Housing and Policy Framework as a supplement to the Tri-Valley Cities Legislative Framework on housing matters.

Prepared and Reviewed by:



Tai J. Williams  
Assistant Town Manager

Attachments:   A - Resolution No. 16-2019  
                  B - CASA Compact (January 2019)  
                  C - Danville Analysis of the CASA Compact  
                  D - Tri-Valley Cities Housing and Policy Framework  
                  Exhibit 1 - Resolution No. 17-2019

**RESOLUTION NO. 16-2019**

**ACCEPTING THE DANVILLE ANALYSIS AND ADOPTING POLICY POSITIONS  
RELATED TO THE "CASA COMPACT: A 15-YEAR EMERGENCY POLICY  
PACKAGE TO CONFRONT THE HOUSING CRISIS  
IN THE SAN FRANCISCO BAY AREA"**

**WHEREAS**, the Town of Danville has consistently addressed local and regional housing needs in a manner that respects its local community character; and

**WHEREAS**, the Danville 2014-2022 Housing Element reflects this ongoing commitment to regional housing needs in consideration of public input through noticed public hearings; and

**WHEREAS**, the CASA Compact has a potential to create significant urban sprawl, exacerbating traffic congestion and the existing jobs/housing imbalance;

**WHEREAS**, the CASA Compact proposes to impose one-size-fits-all approaches that can be counterproductive and ineffective in developing affordable housing units in a suburban context; and

**WHEREAS**, the CASA Compact was developed in a "think tank" environment absent input from most Bay Area cities and the general public; and

**WHEREAS**, the CASA Compact was developed with the intent to serve as the framework for more state housing legislation; and

**WHEREAS**, preliminary review indicates that approximately 20 of the 2,500+ new bills introduced in the 2019-2020 legislative cycle are identified as housing legislation that are directly or loosely correlated to the CASA Compact; and

**WHEREAS**, new state housing bills are anticipated to advance quickly through the state legislative cycle; now, therefore, be it

**RESOLVED**, that the Danville Town Council accept the Danville analysis and adopt policy positions related to the *CASA Compact: A 15-Year Emergency Policy Package to Confront the Housing Crisis in the San Francisco Bay Area* (dated March 19, 2019); and be it further

**RESOLVED**, that the Danville Town Council authorize Town staff and legislative representatives to:

- a. Advocate for a more balanced approach that seeks to achieve a delicate regional balance of jobs, housing, and transportation, and actively discourage legislation that would advance one of these components at the expense of any other.
- b. Advocate for approaches that preserve local decision-making ability to ensure that new developments fit within the fabric of the existing community while meeting regional housing needs objectives.
- c. Engage with other jurisdictions to develop a countywide and/or subregional framework in response to upcoming legislation related to the subject.
- d. Engage with State legislators to help craft legislative amendments that are consistent with the Town's balanced approach.
- e. Undertake a community outreach effort to educate Danville residents of upcoming legislation that could significantly affect Danville's ability to review and approve future housing development

**APPROVED** by the Danville Town Council at a regular meeting on March 19, 2019 by the following vote:

**AYES:**  
**NOES:**  
**ABSTAINED:**  
**ABSENT:**

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**MAYOR**

**APPROVED AS TO FORM:**

DocuSigned by:  
*Robert B. Ewing*  
 895C8C40AD3F4BF..

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**CITY ATTORNEY**

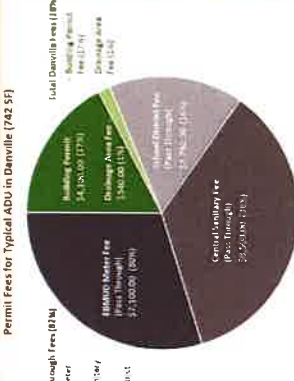
**ATTEST:**

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**CITY CLERK**

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED POLICY POSITION	RELATED LEGISLATION <small>(information current as of 3/12/2019; subject to change)</small>
<p>1. <b>Just Cause Eviction Standards:</b> Adopt a Bay Area-wide requirement that landlords must cite specific "just causes" (both fault and no-fault) for an eviction. Landlords are required to cover relocation assistance in all "no-fault" evictions. Exemptions would apply.</p> <p><b>Objective:</b> <i>Protect tenants from arbitrary evictions.</i></p>	<p>DANVILLE CONCERN STATUS: <b>Moderate</b>, given limited rental housing stock. However, there is a potentially significant <i>unfunded mandate</i> if cities are responsible for administering/adjudicating disputes.</p> <p>GENERAL CONCERNS</p> <p>Element 1 disincentivizes "house rich/cash poor" landlords (example: seniors) from rent if they are required to provide relocation assistance.</p>	<p>RECOMMENDATION</p> <p>Monitor legislative progress of these elements. If efforts move forward, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>Require a "means test" (demonstration of need) to be required before receiving free legal assistance.</li> <li>Implementation to occur <i>after</i> new regional funding sources are available for administration.</li> <li>Administrative responsibility to be assigned to an existing regional agency (no new regional bureaucracy).</li> <li>Mediation to be required as a part of a person seeking their legal remedies for unfair eviction.</li> </ul> <p>If efforts move forward, <b>advocate</b> for amendments to apply statewide and/or apply the requirement on the counties that have the greatest disparity between job growth and housing (examples: San Francisco, San Mateo, and Santa Clara).</p>	<p>AB 1481 (Bonta) [spot bill] – Non-substantive amendments to existing provisions of state law relating to residential tenancy (intro: 2/22/19).</p>
<p>2. <b>Rent Cap:</b> Establish a Bay Area-wide emergency rent cap that limits annual rent increases to "reasonable" amount. For an emergency period (defined as 15 years), the annual cap would be no more than CPI+5%. Certain exemptions and banking provisions would apply.</p> <p><b>Objective:</b> <i>Decrease the number of households at risk of displacement and to prevent homelessness.</i></p>	<p>DANVILLE CONCERN STATUS: <b>Moderate</b>, given limited rental housing stock. However, there is a potentially significant <i>unfunded mandate</i> if cities are responsible for administering/enforcing rent caps.</p> <p>GENERAL CONCERNS: Element 2 disincentivizes:</p> <ul style="list-style-type: none"> <li><i>Prohibition</i> of housing units because it limits a project's potential return on a high-risk investment;</li> <li><i>Maintenance and improvement</i> of the existing housing stock because property owners would be unable to recoup these investments.</li> <li><i>Tenant turn-over</i>, leading to a potential "mismatch" between tenants and rental units, which could lead to a decrease in available housing stock.</li> </ul> <p>Once a tenant has secured a rent-controlled unit, he may not move and give up his rent control unit, even if housing needs change. Information source: <a href="https://www.housingpolicyresearch.com/articles/evidence-tells-us-about-the-effects-of-rent-control/">https://www.housingpolicyresearch.com/articles/evidence-tells-us-about-the-effects-of-rent-control/</a></p>	<p>AB 1482 (Chiu) [spot bill] – Non-substantive amendments to existing provisions of state law relating to tenant rights (intro: 2/22/19).</p> <p>AB 36 (Bloom) [spot bill] – Stabilize rental prices and increase availability of affordable rental units (intro: 12/3/18).</p>	<p>AB 1481 (Bonta) [spot bill] – Non-substantive amendments to existing provisions of state law relating to residential tenancy (intro: 2/22/19).</p>
<p>3. <b>Rent Assistance and Free Legal Counsel:</b> Provide access to free legal counsel and emergency rent assistance for tenants with an urgent, temporary financial gap. Funding, policies and guidelines to be determined (presumably by the new regional housing authority) at a later time.</p> <p><b>Objective:</b> <i>Ensure right to legal counsel; provide funding for emergency/temporary rent gap.</i></p>	<p>DANVILLE CONCERN STATUS: <b>Moderate</b>, given limited rental housing stock. However, there is a potentially significant <i>unfunded mandate</i> if cities are responsible for funding the program.</p> <p>GENERAL CONCERNS: Element 3 presumes <i>all</i> tenants lack resources to legal counsel while <i>all</i> landlords do not. The inverse could be true and would result in abuse on the part of tenants seeking to thwart a lawful eviction by a "house rich/cash poor landlord (such as a senior citizen).</p>	<p>SB 18 (Skinner) [spot bill] – "Keep Californians Housed Act" (<i>applicable statewide</i>):</p> <ul style="list-style-type: none"> <li>Extend provisions of state law to grant month-to-month tenants a 90-day notice prior to eviction</li> <li>Require State HCD to post landlord/tenant guide</li> <li>Appropriate funds from General Fund to State HCD to provide and administer statewide rental assistance grants</li> <li>Establish the "Homelessness Prevention and Legal Aid Fund"</li> </ul> <p>(intro: 12/3/18, amended: 3/4/19)</p>	<p>SB 18 (Skinner) [spot bill] – "Keep Californians Housed Act" (<i>applicable statewide</i>):</p> <ul style="list-style-type: none"> <li>Extend provisions of state law to grant month-to-month tenants a 90-day notice prior to eviction</li> <li>Require State HCD to post landlord/tenant guide</li> <li>Appropriate funds from General Fund to State HCD to provide and administer statewide rental assistance grants</li> <li>Establish the "Homelessness Prevention and Legal Aid Fund"</li> </ul> <p>(intro: 12/3/18, amended: 3/4/19)</p>



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<p><b>4. Remove Regulatory Barriers to Accessory Dwelling Units (ADUs):</b> Extend existing state law to allow ADUs on single family lots and multiple ADUs in existing multi-family buildings with ministerial approval.</p> <p>Forgives code violations in grandfathered ADUs. Impact fees to be based on a square foot basis and only on net new living area &gt;500 SF.</p> <p><b>Objective:</b> Increase more affordable units, provide income source for cost-burdened homeowners.</p>	<p><b>DANVILLE CONCERN STATUS:</b> None. Danville has always championed construction of ADUs by making it simpler, faster and cheaper to build these units.</p> <p><b>CONSIDERATIONS</b></p> <ul style="list-style-type: none"> <li>This Element indicates a lack of understanding that cities serve as a collection point for many pass-through fees, which represent the majority of all fees imposed on an ADU.</li> </ul> <p>In Danville, these pass-through fees represent 82-percent of the fees incurred by a typical 742 SF ADU.</p> <ul style="list-style-type: none"> <li>Removing energy efficiency requirements is contrary to established State CHG reduction goals.</li> </ul>	<p><b>RECOMMENDATION</b></p> <p>Full support and expansion of this element by:</p> <ul style="list-style-type: none"> <li>Extending the fee limitation/reduction to <i>all</i> pass-through fees (including utility connection fees and school district student generation fees). Currently, pass-through fees represent 82% of total fees.</li> </ul>  <p><b>Developing standardized ADU construction plans in a range of sizes, pre-approved at the State level, allowing for minimal local plan check requirements (reduced plan check time offsets fee limitations).</b></p> <ul style="list-style-type: none"> <li>Allowing cities to count, by right, ADUs that are "affordable by design" in the RHNA process (examples: count ≤ 550 SF ADU as "Low" and 551-1,000 SF ADU as "Moderate" income units).</li> <li>Allow ADUs to be constructed without sprinklers.</li> </ul>	<p><b>AB 68 (Ting) – Accessory Dwelling Units - Land Use Requirements (applicable statewide):</b></p> <ul style="list-style-type: none"> <li>Reduces ministerial approvals from 120 to 60 days</li> <li>Restricts ability to impose standards related to minimum lot size, floor area ratio (FAR), setbacks, replacement of off-street parking if garage is converted to ADU</li> <li>Prohibits local regulations from restricting ADUs if they are ≥ 800 SF and ≥ 16-foot high</li> <li>Clarifies definition of "owner occupant", and restricts frequency of occupancy monitoring</li> <li>Requires cities without ADU ordinances to grant ministerial approval consistent with state law (intro: 12/3/18)</li> </ul> <p><b>AB 69 (Ting) – Accessory Dwelling Units – Small Home Building Standards (applicable statewide):</b></p> <ul style="list-style-type: none"> <li>Require State HCD to propose small home building standards to the California Building Standards Commission governing ADUs and homes ≤ 800 SF</li> <li>Authorizes State HCD to notify State Attorney General if an ordinance violates state law (intro: 12/3/18)</li> </ul> <p><b>SB 13 (Wickowski) [spot bill] – Accessory Dwelling Units – Reduce Impact Fees (intro: 12/3/18)</b></p>

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<p>5. <b>Minimum Zoning Near Transit:</b> Establish state-wide <i>minimum zoning</i> for housing on all residential, commercial and institutional zones to allow 'missing middle' housing product types to be:</p> <ul style="list-style-type: none"> <li>• Minimum 36-foot high within 1/2-mile of <i>high quality bus service</i>, defined as a bus stop with 15-min headways (weekday peak) and 30-min headways (weekend)</li> <li>• Minimum 55-foot high (75' with density bonus) within 1/4-mile of a major transit stop, defined as a rail station and a ferry terminal)</li> </ul> <p><i>Housing Overlay on Low-Density Commercial Sites:</i> Make housing an allowable use on large commercially-zoned parcels near job centers with high quality transit.</p> <p><i>Tenant Protections:</i> Sites rezoned would be subject to tenant protections, demolition controls and "no net loss" provisions.</p> <p><i>Affordable Housing:</i> Required at levels not less than state density bonus law. Projects with 10-20 units should have option to pay in-lieu fee as its affordable housing obligation.</p> <p><i>Sensitive Communities:</i> receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.</p> <p><b>Objective:</b> Spur development of the 'missing middle' housing types within reach of working families.</p>	<p>DANVILLE CONCERN STATUS: Low to moderate, as Danville has limited transit service and no major job centers. However, this is precedent-setting policy.</p> <p>GENERAL CONCERNS: This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• Globalizes a <i>housing crisis</i> that is really localized to 3 out of 9 counties in the San Francisco Bay Area, where the greatest disparity between job growth and housing growth exists (San Francisco, San Mateo and Santa Clara counties).</li> <li>• <i>Ignores community context</i> - creating potential land use incompatibility issues with tall developments immediately adjacent to low density neighborhoods.</li> <li>• Generates <i>impacts on local infrastructure</i> (i.e., water, sewer, schools, traffic) while fee limitations proposed in Element 6 limits ability to mitigate those impacts.</li> <li>• Creates <i>land speculation</i> around transit zones, driving up land costs and in turn causing housing development costs to rise.</li> <li>• Requiring minimum <i>height does not create density</i>, as it is possible to build a tall multi-story project with large, lower density, luxury units.</li> <li>• Unaware of the fact that <i>transit service is not static</i> in suburban cities; tying housing requirements to transit routes which may be eliminated due to budget cuts (or lowering demand) is problematic as it introduces density to areas that may not have any transportation.</li> <li>• Unaware of the fact that some commercially zoned properties are purposefully zoned as such to serve predominately residential areas; as a State GHC reduction goal to lower vehicles miles traveled (VMT).</li> </ul>	<p>RECOMMENDATION</p> <p>Oppose unless amended as follows:</p> <ul style="list-style-type: none"> <li>• Apply minimum zoning requirements in subregions where job growth has far exceeded the existing housing stock plus new growth by a pre-determined percentage.</li> <li>• Apply a higher RHNA allocation to those subregions where job growth has far exceeded the existing housing stock plus new growth by a pre-determined percentage.</li> <li>• Allow all cities (not just Sensitive Communities) to develop context sensitive community plans that achieves the overall goal of providing affordable housing around transit.</li> <li>• Focus requirement on density not on height (as the latter does not necessarily result in more units) and allow cities to retain design quality control to facilitate local acceptance.</li> <li>• Apply density increase as a <i>percentage</i> of adjacent land uses (example: 50% increase in density or height) in acknowledgement that not all communities take the same form near transit lines (example: San Francisco vs the Rockridge area of Oakland).</li> <li>• Establish increases contingent upon funding a transit agency's ability to maintain headways for a specified number of years.</li> <li>• Allow a time period for cities to incorporate these requirements into their General Plans and obtain local feedback.</li> </ul> <p>Monitor any legislation regarding the definition and requirements on "low density" commercial areas.</p>	<p>SB 50 (Wiener) - "Equitable Communities Incentive" (<i>applicable sitetravide</i>):</p> <ul style="list-style-type: none"> <li>• Qualified "job-rich" and or "transit-rich" housing projects would receive waivers in from maximum density controls, parking requirements, and up to three additional incentives allowable under existing Density Bonus Law</li> <li>• Additional waivers for projects located within 1/2-mile or 1/2-mile radius of major transit stop</li> <li>• Defers these requirements for "sensitive communities" until January 1, 2025</li> </ul> <p>(intro: 12/3/18)</p>



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<p>6. <b>"Good Government" Reforms to Housing Approval Process:</b> Streamlining the permitting process and how residential impact fees are set and enforced.</p> <ul style="list-style-type: none"> <li>• <i>Streamlining</i> (zoning compliant projects &lt;500 units): Includes "locking" rules, fees and historic status at the date of the "application completeness"; permits no more than 3 de novo hearings for each project.</li> <li>• <i>Impact Fees:</i> Impose a state standard for establishing and imposing impact fees using objective standards rather than current "reasonableness" test. Allow for fee deferral (pay some fees at a later point in the development process).</li> <li>• <i>Inclusionary Zoning:</i> Establish state law that precludes inclusionary programs from being 'additive' (density bonus, housing impact fees, local inclusionary requirements). Requires inclusion fees to be an option for fulfilling inclusion (i.e., ability to 'buy' out of providing onsite affordable housing).</li> <li>• <i>Downzoning and Moratoria:</i> State to set criteria for when these can be used locally.</li> <li>• <i>Annual 'Impositions' Report:</i> Recommends cities annually document any impositions (undefined) that would increase the hard cost (excludes labor and materials) of housing construction (such as fees and inclusionary zoning requirements).</li> </ul> <p><b>Objective:</b> Remove 'regulatory uncertainty' perceived to be a major cause of economically infeasible projects.</p>	<p><b>DANVILLE CONCERN STATUS:</b> Moderate to high. Danville has limited transit service and no large employment centers. However, this is precedent-setting and the definition of "high quality" transit may change.</p> <p><b>GENERAL CONCERNS:</b> This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• Disincentivizes developers to collaborate on delivering projects that best meet community needs (such as mitigating traffic and infrastructure impacts, offering community amenities).</li> <li>• Potentially eliminates ability to negotiate community benefits (services and infrastructure to support those who would occupy the housing) as a part of the development process.</li> <li>• Sends a mixed message regarding inclusionary housing, which has been the greatest single contributor to affordable housing in Danville. Elements of the Compact require inclusionary housing, while this element alleviates the inclusionary requirement for developers.</li> <li>• As written, this Element severely limits a city's ability to use good design and planning techniques to integrate new affordable housing into the fabric of a community, which will likely result in further community resistance to affordable housing development.</li> </ul>	<p><b>RECOMMENDATION</b></p> <p><b>Support with amendments as follows:</b></p> <ul style="list-style-type: none"> <li>• Require a higher on-site affordability percentage for any project that benefits from permit streamlining or fee caps/waivers (i.e., minimum of 25% on-site affordability level for a 35% density bonus with permit streamlining and/or fee caps).</li> <li>• Require an "expiration date" for all fees and regulations locked at application completeness to ensure they are applicable to viable projects. Eliminates abuse by developers who might "lock" a future application to avoid addressing future federal, state or local requirements that may surface.</li> <li>• Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.</li> <li>• Maintain local design standards and controls to ensure context sensitivity.</li> </ul> <p><b>Monitor</b> any legislation regarding the definition and requirements related to an "impositions report."</p>	<p><b>AB 1483 (Grayson) – Transparency in fees and reporting requirements (<i>applicable statewide</i>):</b></p> <ul style="list-style-type: none"> <li>• Compile zoning and development standards and development fees imposed and post on website, submit to State HCD and metropolitan planning organization (such as MTC)</li> <li>• Annually submit list of all pending housing development projects to State HCD and metropolitan planning organization (such as MTC) (intro: 2/22/19)</li> </ul> <p><b>AB 1484 (Grayson) – Restrictions on changes in housing and development fees after project submittal (<i>applicable statewide</i>):</b></p> <ul style="list-style-type: none"> <li>• Prohibits cities from imposing a fee unless it is specifically listed on the website at the time of project submittal</li> <li>• Requires cities to provide the project applicant the web location which lists all fees applicable to the housing development</li> <li>• Prohibits cities from imposing, increasing or extending fees on a housing development project that is in excess of the list provided (intro: 2/22/19)</li> </ul> <p><b>SB 330 (Skinner) – "Housing Crisis Act of 2019" (<i>applicable statewide</i>):</b> Among other things, this would prohibit cities and voter-approved initiatives from down-zoning land, imposing housing moratoriums, imposing costly design standards, establishing caps on discretionary approvals, and establish maximum 3 de novo hearings on housing proposals. (intro: 2/19/19)</p>

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<p>7. <b>Expedited Approvals and Financial Incentives:</b> Another permit streamlining effort to accelerate approvals of zoning-compliant projects and enable on-site affordability with financial incentives.</p> <p><i>Streamlining:</i> Applies to zoning compliant projects that restrict at least 20% of onsite housing units to middle-income households, defined as 80-150% of area median income (AMI). Projects granted a statutory CEQA exemption and limited discretionary review.</p> <p><i>Financial Incentives</i> include 15-year property tax increment abatement, cap on impact fees, parking standards reduced to 50% of local requirement. Projects to pay prevailing wage.</p> <p><i>Sensitive Communities:</i> receive an automatic 3-year deferral on implementation while the city develops a context-sensitive plan.</p> <p><i>Objective: Build more of the 'missing middle' housing units.</i></p>	<p><b>DANVILLE CONCERN STATUS: Moderate.</b> Danville has limited developable lands remaining. However, the remaining new and infill developments generate impacts that rely on fees to mitigate.</p> <p><b>CONCERNS:</b> This is a one-size-fits-all approach that generates many of the same concerns as described in Element #6. Additionally:</p> <ul style="list-style-type: none"> <li>• Capping to a "reasonable" level ignores the fact this test is <i>already in place</i>; further, "reasonable" is currently undefined</li> <li>• Further caps on impact fees would eliminate funding sources to provide services and infrastructure (example: school, transit, etc.).</li> <li>• Requirement to pay prevailing wage is inconsistent with the overall goal to lower housing construction costs.</li> </ul>	<p><b>RECOMMENDATION</b> Support with amendments as follows:</p> <ul style="list-style-type: none"> <li>• Require a higher on-site affordability percentage for any project that benefits from expedited approvals or financial incentives (i.e., minimum of 25% on-site affordability level for a 35% density bonus with permit streamlining, and/or fee reductions).</li> <li>• Require fee caps or reductions to apply across the board to all agencies and services districts (i.e., school districts, water districts, sewer/sanitary districts, fire districts).</li> <li>• Require a "reset" should substantive project changes be introduced during the course of the development review process to avoid potential abuse of the system.</li> <li>• Maintain local design standards and controls to ensure context sensitivity.</li> <li>• Allow an automatic deferral on implementation all cities (not just Sensitive Communities) to incorporate these requirements into their General Plans and obtain local feedback.</li> </ul>	<p>AB 1485 (Wicks/Quirk) [spot bill] – Housing development streamlining for zoning-compliant projects, financial incentives for onsite affordability and prevailing wages. Would allow "sensitive communities" to defer implementation. (intro: 2/22/19)</p> <p>AB 1706 (Quirk) [spot bill] – Affordable housing streamlining, tax incentives and other benefits to developers of qualified middle-income housing projects. (intro: 2/22/19)</p> <p>SB 6 (Beall/McGuire) [spot bill] – Requires State HCD to provide list of local lands suitable and available for residential development (to be identified by cities as a part of their Housing Element). Database to be searchable and publicly accessible. (intro: 12/3/18)</p>

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<p>8. <b>Unlock Public Lands for Affordable Housing:</b> Promote use of "surplus" and "underutilized" public lands (undefined) for affordable housing through legislative and regulatory changes.</p> <p>This would also create a database listing all publicly owned land in the Bay Area, limit approval process to no more than two years, and deploy 10 percent of underutilized/surplus public land to affordable housing development on an annual basis.</p> <p>Element also calls for policies to help expand the housing construction labor pool, including requiring trained apprentices and prevailing wages. Exceptions would apply to temporary housing built to address an emergency.</p> <p>Objective: <i>Encourage re-use of public land for mixed income/affordable housing units.</i></p>	<p><b>DANVILLE CONCERN STATUS:</b> Low to moderate. Danville has limited "surplus" and "underutilized" lands remaining, based on an interpretation of these terms.</p> <p><b>CONCERNS:</b> This is a one-size-fits-all approach that:</p> <ul style="list-style-type: none"> <li>• Ignores the fact that not all public lands have the same value for affordable housing development, as some large tracts of public land are located at the suburban fringe, away from transit and its development would lead to urban sprawl – thereby exacerbating the jobs/housing imbalance.</li> <li>• Ignores the fact that land development is driven by market forces, which cities do not control.</li> <li>• Disregards the efforts underway by local communities to plan vacant lands around transit in a context-sensitive manner.</li> </ul>	<p><b>RECOMMENDATION</b></p> <p>Monitor any developing legislation regarding the definition of "surplus/underutilized" lands.</p> <p>As appropriate, advocate for amendments that would allow:</p> <ul style="list-style-type: none"> <li>• Clear and objective standards for the definition of "surplus land."</li> <li>• Cities to partner with the public entity which owns the surplus land to ensure projects are developed in a manner consistent with local plans and design standards.</li> <li>• Apply requirements in counties where job growth has far exceeded the existing housing stock plus new growth by a pre-determined percentage.</li> </ul>	<p>AB 1486 (Ting) – Public surplus land for housing development, among other things:</p> <ul style="list-style-type: none"> <li>• Expands definitions of "local agency" to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies (RDAs), etc.;</li> <li>• Defines "surplus land" to mean land owned by any local agency that is not necessary for the agency's government operations</li> <li>• Defines the term "dispose of" to include sale, lease, transfer or other conveyance of interest in real property;</li> <li>• Notification requirements to include council of governments (e.g., Association of Bay Area Governments or ABAG);</li> <li>• Limits negotiations on sales price and lease terms, including the amount and timing of payments</li> </ul> <p>(intro: 2/22/19)</p>

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<p>9. <b>Funding and Financing the CASA Compact:</b> Raise \$1.5 billion new revenue annually from broad range of sources including (but not limited to) property taxes, ¼-cent sales tax, head tax, and General Obligation Bonds (reissued every 5 years). Of the total \$1.5 billion, \$300 million would come from local communities (former RDA set aside and future tax increment).</p> <p>New revenue <i>allocation</i> formula:</p> <ul style="list-style-type: none"> <li>- Up to 10% for local jurisdiction incentives</li> <li>- Remainder to tenant protection, preservation, housing subsidies</li> </ul> <p>New revenue <i>distribution</i> formula:</p> <ul style="list-style-type: none"> <li>- 75% to county of origin ("return to source")</li> <li>- 25% to regional program ("revenue sharing")</li> </ul> <p>Revenue collection and disbursement would be managed by a new regional housing authority (described in Element 10).</p> <p>Objective: <i>Fund elements of the Compact that requires public subsidy (e.g., rental assistance, free legal counsel, financial incentives, etc.).</i></p>	<p><b>DANVILLE CONCERN STATUS:</b> High. Though not included in the Compact, the Governor has already suggested withholding SB1 funds from cities that do not meet their RHNA assignment.</p> <p><b>CONCERNS</b></p> <ul style="list-style-type: none"> <li>• No "return to source" formula at the city-level, resulting in a greater perception of some communities being "donor communities" without having resources to meet its assigned housing obligation.</li> <li>• Vacant property tax could be punitive to small property owners, particularly if vacancy is beyond their control. Potential <i>unfunded mandate</i> if enforcement responsibility falls upon local cities.</li> <li>• Commercial fees/taxes may be counterproductive if it drives employers out of the region and suppresses business retention.</li> <li>• The property tax "set aside" is punitive to those cities - such as Danville - whose tax base is largely from property taxes.</li> <li>• Wide range of new taxes and fees may limit a city's taxing capacity (limit its voters' appetite to pass local funding measures).</li> </ul>	<p><b>RECOMMENDATION</b></p> <p>Oppose unless amended as follows:</p> <ul style="list-style-type: none"> <li>• Defined return-to-source funding formula at a city level.</li> <li>• Regional "fair share" housing assignment (RHNA process) is correlated to level of funding received (i.e., a city that receives lower funding level should receive a lower regional housing assignment).</li> <li>• Eliminate proposals that would reduce current property tax or transportation funding to cities.</li> </ul> <p><b>Support for following funding sources:</b></p> <ul style="list-style-type: none"> <li>• Statewide voter-approved sales tax or General Obligation bonds to pay for housing initiative.</li> <li>• "Head tax" on new employers with ≥ 500 employees.</li> </ul>	<p>AB 1487 (Chiu) – Changes to Housing Element Law (non-substantive) (intro: 2/22/19)</p> <p>AB 10 (Chiu) – Expands state's Low Income Tax Credit Program by \$500 million per year, up from \$94 million, for farmworker housing projects. (intro: 12/3/18)</p> <p>AB 11 (Chiu) – "Community Redevelopment Law of 2019" would authorize a city, county (or a combination) to form an affordable housing and infrastructure agency; use tax increment financing to fund affordable housing and infrastructure projects. (intro: 12/3/18)</p> <p>SB 5 (Beall/McGuire):</p> <ul style="list-style-type: none"> <li>• Authorizes cities to use ERAF funds for affordable housing or community improvement purposes;</li> <li>• Establishes the "Local-State Sustainable Investment Incentive Program"</li> <li>• Authorizes cities, JPAs, infrastructure financing districts, affordable housing authorities (etc) to apply for program funding (intro: 12/3/18)</li> </ul> <p>ACA 1 (Aguilar-Curry) - Local government financing for affordable housing and public infrastructure:</p> <ul style="list-style-type: none"> <li>• Creating additional exception to the 1% limit on the ad valorem tax rate on real property</li> <li>• Reduces the voter threshold to 55% for local bonds for affordable housing or public infrastructure (intro: 12/3/18)</li> </ul>

SUMMARY OF CASA ELEMENT	CONCERNS AND CONSIDERATIONS	RECOMMENDED POLICY POSITION	RELATED LEGISLATION <small>(information current as of 3/12/2019; subject to change)</small>
<p>10. <b>Regional Housing Enterprise (RHE):</b> Establishes a new independent regional housing agency – formed through state legislation - to implement the Compact. It would have the authority to collect and distribute revenue, issue debt, buy/lease/hold land, and track/report on local progress. No regulatory or enforcement powers.</p> <p>Composition: independent board with representation from MTC, ABAG, and stakeholder groups that created the Compact.</p> <p>Objective: <i>Administers the Compact.</i></p>	<p><b>CONCERNS</b></p> <ul style="list-style-type: none"> <li>• Creating a new agency that is not comprised of elected officials does not allow it to be accountable to the voters or local needs, and appears to be structured to exclude local government input.</li> <li>• Creating a regional entity introduces another bureaucracy with its own unique set of reporting requirements that necessitates a commitment of limited staff resources</li> </ul>	<p><b>RECOMMENDATION</b></p> <p><b>Oppose unless amended</b> as follows:</p> <ul style="list-style-type: none"> <li>• Assign any regional implementation efforts to existing agencies (i.e., MTC or ABAG) and housing authorities (i.e., county housing authority).</li> </ul>	<p>SB 5 (Beall/McGuire) – Establishes the “Sustainable Investment Incentive Committee” to administer “Local-State Sustainable Investment Incentive Program”.</p>

**RESOLUTION NO. 16 – 19**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF DUBLIN**

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**APPROVING SUPPORT FOR THE TRI-VALLEY CITIES HOUSING AND  
POLICY FRAMEWORK AS A SUPPLEMENT TO THE TRI-VALLEY CITIES  
LEGISLATIVE FRAMEWORK ON HOUSING MATTERS**

**WHEREAS**, in 2017 the Tri-Valley cities of Dublin, Livermore, Pleasanton, and San Ramon and the Town of Danville (collectively known as the “Tri-Valley Cities”) acknowledge the importance of collaborating on a legislative advocacy framework, which resulted in the development of the Tri-Valley Cities Legislative Framework; and

**WHEREAS**, the Tri-Valley Cities recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters; and

**WHEREAS**, in January of 2017, the State of California published a report titled “California’s Housing Future: Opportunities and Challenges,” which documented the negative consequences of the historic underproduction of housing in California, including an increasing affordability gap, falling rates of homeownership, disproportionate rates of homelessness, and issues such as urban sprawl and traffic congestion. Collectively, these issues have been identified by legislators as part of a statewide “housing crisis”; and

**WHEREAS**, in September of 2017, California Governor Jerry Brown signed into law the “Housing Package” consisting of 15 new bills focused on funding, permit streamlining, and increased enforcement and accountability for local governments with respect to implementation of the Housing Element; and

**WHEREAS**, in 2018, State legislators approved, and the Governor signed into law several additional housing bills; and

**WHEREAS**, the Metropolitan Transportation Commission formed the Committee to House the Bay Area (CASA) to address the housing challenges in the Bay Area; and

**WHEREAS**, in December 2018 the Committee to House the Bay Area released an ambitious 10-point plan, known as the CASA Compact, to serve as state legislative research data for future housing legislation; and

**WHEREAS**, the State’s focus on the affordable housing challenges is likely to continue for the foreseeable future with new legislation that will impact local jurisdictions; and

**WHEREAS**, the Tri-Valley Cities recognize the substantial challenge of providing adequate and affordable housing opportunities in the region, and the shared responsibility of all communities across the State to help address these needs; and

**WHEREAS**, there is a unique opportunity for the Tri-Valley Cities to work together, to develop a collaborative response to influence legislative efforts at the State towards outcomes that address

housing needs, while respecting community character and desire for local control of decision making; and

**WHEREAS**, the Tri-Valley Cities affirm their interest in and commitment to shaping housing policy outcomes in a constructive manner, through a proactive and nuanced approach to advocacy and engagement on the topic of housing that will result in better outcomes for the region and the individual communities; and

**WHEREAS**, the Tri-Valley Cities have developed the Tri-Valley Cities Housing and Policy Framework, dated February 2019 and attached as **Exhibit A**, to provide additional depth to the Tri-Valley Cities Legislative Framework in the area of housing; and

**WHEREAS**, the Tri-Valley Cities Housing and Policy Framework provides a comprehensive statement of the Tri-Valley Cities legislative approach, reflecting the following Key Themes:

- Balanced Solutions – Housing, Jobs, and Transportation;
- Provide, Promote, and Protect Affordability;
- Context Sensitive Housing;
- Infrastructure and Services; and
- Funding and Resources; and

**WHEREAS**, the Key Themes are topic areas where there is consensus among the Tri-Valley Cities, and which can be used to inform, influence, respond, and advocate, on the topic of housing at the local, regional and State level; and

**WHEREAS**, the overall approach identifies and addresses common areas of concern, while recognizing that each city can and will continue to pursue individual areas of interest that are specific to their community's needs; and

**WHEREAS**, on February 27, 2019, the Tri-Valley Mayors and Councilmembers met to discuss the Tri-Valley Cities Housing and Policy Framework; and

**NOW, THEREFORE, BE IT RESOLVED** that the Dublin City Council does hereby make the following determination regarding the Tri-Valley Cities Housing and Policy Framework attached as **Exhibit A**:

A. The Tri-Valley Cities Housing and Policy Framework is hereby supported as supplemental material to the existing Tri-Valley Cities Legislative Framework on matters related to housing legislation.

B. The Tri-Valley Cities may from time-to-time revisit the Tri-Valley Cities Housing and Policy Framework to ensure that the approaches and topics discussed within the report remain relevant and appropriate.

**PASSED, APPROVED AND ADOPTED** this 19<sup>th</sup> day of March 2019, by the following vote:

**AYES:** Councilmembers Goel, Hernandez, Josey, Kumagai and Mayor Haubert

**NOES:**

**ABSENT:**

**ABSTAIN:**

  
\_\_\_\_\_  
Mayor

**ATTEST:**

  
\_\_\_\_\_  
City Clerk