

AGENDA

Legislative Committee

The next meeting of the Legislative Committee will be as follows.

Date: Thursday, April 12, 2018 - 5:30 p.m. to 6:30 p.m.
 Place: San Mateo County Transit District Office¹
 1250 San Carlos Avenue
2nd Floor Auditorium
 San Carlos, California

PLEASE CALL Jean Higaki (599-1462) IF YOU ARE UNABLE TO ATTEND.

1	Public comment on related items not on the agenda.	Presentations are limited to 3 Minutes	
2	Approval of Minutes from March 8, 2018.	Action (Gordon)	Pages 1-4
3	Review/ recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified). <ul style="list-style-type: none"> • Draft letter in opposition of SB 827 	Action (Update from Shaw/Yoder/Antwih)	Page 5-11
4	Review “Lobby Day” packet materials	Information (Gordon)	Handout
5	Adjournment	Action (Gordon)	

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

¹From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

For public transit access use SamTrans Bus lines 390, 391, 292, KX, PX, RX, or take CalTrain to the San Carlos Station and walk two blocks up San Carlos Avenue.

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
March 8, 2018**

At 5:32 P.M. Chair Gordon called the Legislative Committee meeting to order in the 2nd Floor auditorium at the San Mateo Transit District Office.

Attendance sheet is attached.

Guests or Staff Attending:

Andrew Antwih - Shaw/ Yoder/ Antwih Inc. (Call in)
Sandy Wong, Matt Fabry - C/CAG Staff

1. Public comment on related items not on the agenda.

No public comments.

2. Approval of Minutes from February 8, 2018.

Member O'Connell moved and Member Moise Derwin seconded approval of the February 8, 2018 minutes. Motion passed unanimously.

3. Update from Shaw/ Yoder/ Antwih (SYA).

Andrew Antwih, from Shaw/ Yoder/ Antwih, provided an update from Sacramento. Session is underway and many bills were introduced but are still spot bills and need to be refined before being referred to committees.

The SB 1 repeal effort was discussed. A referendum, filed in September 2017, would require voter approval for any future transportation funding proposals and would repeal retroactively any transportation measures passed after January 2017.

Proponents of the repeal have raised \$1.14 mil and are very close to getting the signatures required to put the proposition on the ballot. Supporters of SB 1 have organized a group called the Coalition to Protect Local Transportation Improvements, formally known as the Fix Our Roads Coalition. This group is led by the California Alliance for Jobs, the California State Association of Counties, the League of California Cities, and the California Transit Association, as well as several other transportation, labor, business, and local government agencies.

The Coalition is also soliciting support for the passage of Proposition 69 – facilitated by ACA 5 (Frazier) – the constitutional amendment passed by the legislature to protect new SB 1 revenues. The measure will be before the voters this June. At the January Budget hearing, Governor Brown noted that he would do everything in his power to defend SB 1.

Member O'Connell expressed surprise that C/CAG has not taken a position against the SB 827 (Weiner) bill regarding planning and zoning near transit. Recent amendments were made in response to concerns raised regarding the displacement of residents. The bill would pre-empt several local ordinance restrictions to developers. The bill has been referred to two committees but has not been scheduled for a hearing yet. Member Mazur noted that that bill could not be modified to enough to protect local control without losing the intent of the bill.

Proposition 68 is connected to the SB 5 Bond measure that would address toxic pollutants in water supplies and invest in neighborhood parks in underserved areas. It includes funding that would be available through competitive grant programs for C/CAG and its member agencies regarding stormwater management, parks, urban greening, climate change, and other issues common to local jurisdictions. The Committee would like to emphasize their support of the bill for its water components.

Andrew expanded on the AB1405 (Mullin) digital billboard bill. The Committee was concerned about vision for the new signs. A few of the outstanding questions remain:

- Is there an expectation that there will be a vast number of new signs installed?
- What say would local jurisdictions have regarding the placement of these signs, the number of signs running through the cities, or the operations of the signs?
- Member Gordon has concerns about distracted driving and would like to know what guidelines are out there or what guidelines the new signs would be subject to with regard to this.

It needs to be confirmed but there is a thought that it would be the network of smart message signs like those already up and running within the freeway right of way. Member Papan expressed concerns over scenic highways such as I-280. The committee supports informing commuters with public messages but are concerned about distracting drivers with commercial messages or having public messages diluted in importance due to advertising on the same signs. It was suggested to bring this discussion to the May Lobby Day if we don't get answers before then.

4. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

A resolution supporting Proposition 69 and opposing the repeal of SB 1 was presented and considered at the legislative committee meeting.

Member Mazur proposed a motion to recommend that the Board support Proposition 69 protecting transportation funding. Member O'Connell seconded. Motion passed unanimously.

Member Papan proposed a motion to recommend that the Board oppose the repeal of SB 1. Member Vaterlaus seconded. Motion passed unanimously.

A resolution supporting Proposition 68 regarding the Clean Water and Safe Parks was presented.

The committee wanted to note that the recommendation to support was mainly associated with the water components included in Proposition 68.

Member Papan proposed a motion to recommend that the Board approve the resolution in support Proposition 68. Member Vaterlaus seconded. Motion passed unanimously.

The Legislative Committee had concerns about the SB 827 (Weiner) bill regarding planning and zoning near transit. Recent amendments in response to concerns raised were made to the bill but it would still pre-empt important local ordinance restrictions to developers.

Member O'Connell proposed a motion to recommend that the Board oppose SB 827 as written and Member Papan seconded. Motion passed unanimously.

5. Adjournment

The meeting adjourned at approximately 6:05 P.M.

Legislative Committee 2018 Attendance Record

Agency	Name	Jan	Feb 8	March 8	April 12	May 10	June 14	July 12	August	Sept 13	Oct	Nov	Dec 13
Foster City	Catherine Mahanpour			x									
Hillsborough	Marie Chuang (C/CAG Vice Chair)		N/A	N/A									
Menlo Park	Catherine Carlton												
Millbrae	Gina Papan		x	x									
Pacifica	Sue Vaterlaus		x	x									
Portola Valley	Maryann Moise Derwin (C/CAG Chair)		x	x									
Redwood City	Alicia Aguirre		x	x	N/A	N/A	N/A	N/A		N/A			N/A
Redwood City	Shelly Masur		x	x									
San Bruno	Irene O'Connell (Leg Vice Chair)		x	x									
Sounth San Francisco	Richard Garbarino												
Woodside	Deborah Gordon (Leg Chair)		x	x									

 no meeting

C/CAG AGENDA REPORT

Date: April 12, 2018

To: C/CAG Legislative Committee

From: Sandy Wong, Executive Director

Subject: Review and recommend approval of C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

(For further information or response to questions, contact Jean Higaki at 650-599-1462)

RECOMMENDATION

That the C/CAG Legislative Committee recommend the C/CAG Board to take a position on any legislation or direct staff to monitor any legislation for future positions to be taken.

FISCAL IMPACT

Unknown.

SOURCE OF FUNDS

N/A

BACKGROUND

The C/CAG Legislative Committee receives monthly written reports and oral briefings from the C/CAG's State legislative advocates. Important or interesting issues that arise out of that meeting are reported to the Board. The State Legislature reconvened in January.

At the March 8, 2018 C/CAG Board meeting the C/CAG Board took an action to oppose SB 827 as currently written. SB 827 (Wiener), Planning and Zoning Near Transit - would authorize a transit-rich housing project to receive a transit-rich housing bonus and exempt a project from various requirements, including maximum controls on residential density or floor area ratio, minimum automobile parking requirements, design standards that restrict the applicant's ability to construct the maximum number of units consistent with any applicable building code, and maximum height limitations.

ATTACHMENTS

1. April 2018 Legislative update from Shaw/ Yoder/ Antwih, Inc.
2. Draft letter opposing SB 827 (Weiner) as written
3. Factsheet on SB 828 (Weiner)
4. Full Legislative information is available for specific bills at <http://leginfo.legislature.ca.gov/>



SHAW/YODER/ANTWIH, *inc.*
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

DATE: April 2, 2018
TO: Board Members, City/County Association of Governments, San Mateo County
FROM: Andrew Antwih and Matt Robinson, Shaw / Yoder / Antwih, Inc.
RE: STATE LEGISLATIVE UPDATE – April 2018

Legislative Update

The Legislature will reconvene from Spring Recess on April 2 and begin a series of policy committee hearings on hundreds of bills available for consideration. The committees have until April 27 to send bills to the Appropriations Committees. In this report we highlight the most relevant bills this year affecting C/CAG; those are discussed under ***Bills of Interest***, below.

SB 1 Repeal

As we reported in our last report, the proponents of SB 1 recently formed a ballot committee – the Coalition to Protect Local Transportation Improvements – to oppose the repeal effort and promote the benefits of SB 1 throughout California. The Committee is led by the California Alliance for Jobs, the California State Association of Counties, the League of California Cities, and the California Transit Association, as well as several other transportation, labor, business, and local government agencies, formally known as the Fix Our Roads Coalition. The Committee will also support passage of Proposition 69 – put on the ballot by ACA 5 (Frazier) – the constitutional amendment passed by the legislature to protect new SB 1 revenues; the measure will be before the voters this June. The Committee recently launched a new website with more information about the benefits of SB 1, tools local agencies can use, and reasons to oppose the potential repeal. **The C/CAG Board is formally in support of the “Yes on Proposition 69” and the “No on SB 1 Repeal” campaigns.**

As far as the repeal is concerned, the proponents have raised approximately \$1.2 million and will more than likely qualify the measure for the November ballot. The proponents have until late-April to submit the required number of signatures – 585,000 – to the Secretary of State. Recognizing the likelihood the repeal goes forward and that it poses a real threat to the funding provided by SB 1, the Governor has personally engaged stakeholders and requested their support for the upcoming campaign.

Bills of Interest

SCA 6 (Wiener) – Lower Vote Threshold for Local Transportation Taxes (Two-Year Bill)

The California Constitution subjects the imposition of a special tax by a city, county, or special district upon the approval of two-thirds of the voters. This measure would lower that threshold to 55 percent of voters for taxes for transportation purposes. ***The C/CAG Board SUPPORTS this bill.***

SB 827 (Wiener) – Planning and Zoning Near Transit

The Planning and Zoning Law requires, when a housing development is proposed within the jurisdiction of a local government, that the city, county, or city and county provide the developer with a density

bonus to produce low income housing. This bill would authorize a transit-rich housing project to receive a transit-rich housing bonus. The bill would define a transit-rich housing project as a residential development project within a half-mile of a major transit stop or a quarter-mile of a high-quality transit corridor. The bill would exempt a project from various requirements, including maximum controls on residential density or floor area ratio, minimum automobile parking requirements, design standards that restrict the applicant's ability to construct the maximum number of units consistent with any applicable building code, and maximum height limitations. ***The C/CAG Board OPPOSES this bill as written.***

SB 828 (Wiener)

This bill would make a number of changes to the way the Department of Housing and Community Development (HCD) assesses housing needs throughout California and would require HCD to do a one-time unmet needs assessment for every region and add those numbers to the forecasted allocations for the next RHNA cycle. This bill would establish methodologies that acknowledge the particular need for moderate and above-moderate income housing in areas where housing prices are increasing at a rate far faster than wages and authorize HCD to challenge inequitable allocations between comparable jurisdictions. This bill would require HCD to rollover deficits from one cycle to the next if a city has not met their RHNA. Finally, the bill would require local agencies to zone for 200% of their housing obligation (versus not 100%). ***Please see the attached fact sheet.***

SB 961 (Allen) Second Neighborhood Infill Finance and Transit Improvements Act

This bill would enact the Second Neighborhood Infill Finance and Transit Improvements Act and would authorize a city or county to use tax increment financing through (as part of an enhanced infrastructure financing district) to issue bonds for housing, as well as station development for transit, urban forestry, decoupled parking, access to transit, and other infrastructure for residential communities, including water infrastructure or waste water infrastructure that captures rainwater or urban runoff. The bonds would not require voter approval, but the area to be financed must be within one-half mile of a rail transit station or within 300 feet of a transit rich boulevard served by bus rapid transit or high-frequency bus service.

AB 1405 (Mullin) – Digital Billboards

This bill would authorize a comprehensive development lease agreement between the Department of Transportation (Caltrans) and the private sector for a new digital sign network to provide real-time information for enhanced statewide emergency and traveler communications and provide revenues to the State Highway Account by allowing paid advertisements to appear on the digital signs.

AB 1759 (McCarty) – Road Maintenance and Rehabilitation Account Funding

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes a housing element and report on the progress of the established goals. This bill would require HCD to review the reports annually and beginning in the 2022–23 fiscal year and require cities and counties to be certified in the prior fiscal year by HCD to remain eligible for an apportionment of SB 1 RMRA funds.

AB 1905 (Grayson) – CEQA Judicial Review for Transportation Projects

The California Environmental Quality Act (CEQA) requires a lead agency to prepare and certify an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA establishes a procedure by which a person may seek judicial review of an agency's decision. This bill would prohibit a court from stalling a transportation project under judicial review pursuant to CEQA if the project is included in a sustainable communities strategy and for which an environmental impact report has been certified.

AB 3059 (Bloom) Congestion Pricing

This bill would authorize two congestion pricing demonstration projects in northern California and two in southern California. The bill would define “congestion pricing” to mean the assessment of a charge on motor vehicles using local streets and roads in a participating jurisdiction.

Proposition 69 / ACA 5 (Frazier and Newman) – Protecting Transportation Revenues, Revising Appropriations Limit

This measure would add to the list of transportation-related revenues protected from legislative diversion by Article XIX those taxes and fees raised in SB 1 (Beall & Frazier). The measure also protects certain transit funds that were increased in the Gas Tax Swap of 2010-11. Article XIII B of the California Constitution prohibits the total annual appropriations subject to limitation of the state and each local government from exceeding the appropriations limit of the entity of the government for the prior year, as adjusted; this measure would also exclude appropriations of certain revenues associated with the Road Repair and Accountability Act of 2017 from the appropriations subject to constitutional limitation.

The C/CAG Board SUPPORTS Proposition 69.

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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April 13, 2018

The Honorable Jim Beall
Chair, Senate Transportation and Housing Committee
State Capitol, Room 2209
Sacramento, CA 95814

RE: SB 827 (Wiener) Planning and Zoning - OPPOSE

Dear Chair Beall:

Unfortunately, the City/County Association of Governments of San Mateo County (C/CAG) must write to you in **OPPOSITION** to SB 827 (Wiener), which would preempt local zoning decisions for housing projects within one-half mile radius of a major transit stop or one-quarter mile radius of a transit stop on a high-quality transit corridor to accommodate buildings that are taller and denser.

Removing the ability for local agencies to make local housing decisions and authorizing developers to construct multi-family, multi-story building anywhere transit runs at 15-minute headways without regard to local general or regional plans and their public engagement process may result in unintended consequences of increasing community opposition to transit and transit expansions and promote a distrust of state government.

This “one size fits all” approach to addressing California’s housing shortage may work in communities with established up zoning and vast, integrated transit systems, but it does not fit in all communities. C/CAG believes that local city planners working with local transit agencies are better suited to identify where development and transit routes can benefit a community over the long term.

The legislature addressed housing and increased densities last year with several bills that provided funding and other measures designed to increase infill development, allowing local governments to set new zoning plans themselves. This is a more collaborative approach, and should be given time to play out.

For the reasons stated above, we must respectfully oppose SB 827. Please feel free to contact Sandy Wong, C/CAG’s Executive Director, at 650-599-1409 or slwong@smcgov.org with any questions or concerns.

Sincerely,

Maryann Moise Derwin, Chair
City/County Association of Governments of San Mateo County

Cc: The Honorable Scott Wiener, California State Senate
Members, Senate Transportation and Housing Committee



Senator Scott Wiener, 11th Senate District

Senate Bill 828 – Fixing RHNA

SUMMARY

Senate Bill 828 strengthens the Regional Housing Needs Assessment (RHNA) by increasing state oversight over local and regional housing obligations, and requiring the Department of Housing and Community Development (HCD) to do an audit of California’s unmet housing need.

BACKGROUND/EXISTING LAW

Under current law, the state and its regional governments go through a process called RHNA every eight years to determine how much housing, at various income levels, local communities are obligated to accommodate.

The Department of Finance and HCD forecast population growth for each region based on a variety of factors, and then regional councils of government (COGs) divide this allocation among its local jurisdictions. HCD confirms that the local numbers add up for each region, and then the local government is required to plan and zone for 100% of their local allocation in the Housing Element of its General Plan.

PROBLEM

There are several key issues with RHNA:

First, the state’s population forecasts do not take into account historic underproduction of housing, which has been particularly stark over the past several decades. As communities stifle housing construction locally, their population is limited by how many new homes are built, creating the illusion that population growth is slowing or stagnant. This illusion is prevalent even in areas that have thriving job markets and skyrocketing housing demand and prices. There is also no rollover mechanism to ensure that communities who underperform in one cycle are held accountable to their remaining obligation when the next cycle starts, creating a perverse incentive for cities to routinely underperform on RHNA. Over time, their population growth will slow, their previous obligations will be forgiven, and their allocations will be reduced.

Second, each regional government establishes its own unique methodology for allocating housing obligations to local jurisdictions. The state has very little oversight authority over this process. More often than not, this results in heavily

politicized allocations divorced from the data about true housing demand and fair share principles. For example, in the last RHNA cycle, Redondo Beach was allocated 1397 units of housing for an eight-year period, while Hermosa Beach and Manhattan Beach – adjacent and demographically similar coastal communities – were allocated 2 and 37 total units, respectively.

Lastly, after local governments are assigned their housing obligation, they are expected to zone for precisely 100% of that obligation. This underwhelming requirement sets communities up for failure, as not every newly zoned parcel will have development approved and project constructed to full capacity within several years.

SOLUTION

SB 828 tackles these issues with various provisions to strengthen RHNA, including:

- Requiring HCD to do a one-time unmet need assessment for every California region before the next housing cycle and add those numbers to the forecasted allocations. This will act as a reset for every part of California to get on track after decades of underproduction.
- Establishing methodologies that acknowledge the particular need for moderate and above-moderate income housing in areas where housing prices are increasing at a rate far faster than wages.
- Authorizing HCD to challenge inequitable allocations between comparable jurisdictions.
- Requiring HCD to rollover deficits from one cycle to the next if a city has underperformed and not met their RHNA.
- Prohibiting planners from purposely underallocating in underperforming cities that will have rollover numbers.
- Requiring Housing Elements to zone for 200% of their housing obligation— not 100%.

SUPPORT

Bay Area Council
Los Angeles Business Council
Silicon Valley Leadership Group

FOR MORE INFORMATION

Ann Fryman, *Legislative Aide*
ann.fryman@sen.ca.gov