

# AGENDA

## Legislative Committee

Date: Thursday, April 11, 2019 - **5:30 p.m. to 6:00 p.m.**  
 Place: San Mateo County Transit District Office<sup>1</sup>  
 1250 San Carlos Avenue  
**3<sup>rd</sup> Floor Gallagher Conference Room**  
 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 14, 2019.	Action (O'Connell)	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).  Consider letters for: SB 152 (Beall) AB 738 (Mullin) AB 1568 (McCarty) Stormwater budget request (Mullin)	Action (Update from Shaw/Yoder/Antwih)	Pages 5-20
4	Discussion in preparation for "2019 Lobby Day"	Information Shaw/ Yoder Antwih	Oral Report Or Handout
5	Adjournment	Action (O'Connell)	

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.

PUBLIC NOTICING: All notices of C/CAG regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA, and on C/CAG's website at: <http://www.ccag.ca.gov>.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the City/County Association of Governments of San Mateo County (C/CAG), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on C/CAG's website at: <http://www.ccag.ca.gov>.

PUBLIC PARTICIPATION: Public comment is limited to two minutes per speaker. Persons with disabilities who require auxiliary aids or services in attending and participating in this meeting should contact Mima Guilles at (650) 599-1406, five working days prior to the meeting date.

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<sup>1</sup>From 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 14, 2019**

At 5:32 P.M. Vice Chair Mahanpour 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.  
Sandy Wong, Jean Higaki, Matt Fabry - C/CAG Staff

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

No public comments

**2. Approval of Minutes from February 14, 2019.**

Member Garbarino moved and member Vaterlaus seconded approval of the February 14, 2019 minutes. Member Masur and member Lewis abstained. Motion passed 6-0.

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

Andrew Antwih, with Shaw/ Yoder/ Antwih Inc., provided an update from Sacramento. The legislature is getting used to the new administration. Policy and budget subcommittees have been holding mainly informational hearings. The legislative calendar should pick up in the next few weeks. March 1, 2019 was the first deadline for authors to submit bills. Over 1700 bills were submitted. About one third of these were submitted in spot bill form. In the near future spot bills without details will get held for year.

Having said that there are a few bills that have enough details to consider for action:

SB 128 (Beall) Enhanced Infrastructure Financing Districts: Bonds: Issuance – The Governor included this proposal in his budget. Last year Senator Beall introduced a bill to try to approximate some housing production that was lost due to the loss of redevelopment. Existing law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters voting on a proposal to issue the bonds. Areas defined under this law does not have to be contiguous. This bill further facilitates this effort by eliminating the vote requirement that authorizes the public financing authority to issue bonds for these purposes.

SB 137 (Dodd) Federal Transportation Funds: State Exchange Programs – Federal Transportation funds are often made available to local jurisdictions as “local assistance funds.”

Jurisdictions can exchange those funds with Caltrans for other categories of funds to gain more flexibility in delivering projects. This bill extends that ability to exchange federal funds with SB1 Road Maintenance and Rehabilitation Program funds appropriated to the department. Most public works directors appreciate this ability to exchange funds. Member Lewis asked for clarification about “local assistance.” Specific federal funds that are allocated to cities are referred to as “local assistance.”

AB 252 (Daly) Caltrans NEPA Delegation – This was just approved on consent in the assembly transportation committee on Monday. Existing law, until January 1, 2020, provides that the State of California consents to the jurisdiction of the federal courts regarding the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the program. This bill would remove the sunset date indefinitely. This is a project delivery expediting tools.

Vice Chair Mahanpour asked if the environment would suffer because of this change. It would not since both CEQA and NEPA would both still be adhered to. The delegation just assigns the administration of NEPA to the state. CEQA is already administered by the state and tends to be more stringent than NEPA. Member Lewis was concerned about the proposal to make it indefinitely. Member Masur asked for clarification if this was specifically for Caltrans projects. Andrew confirmed that it is for Caltrans projects and stated that the legislature could always choose to add a sunset date back in, if desired, in the future.

ACA 1 (Aguiar-Curry) Local Government Financing Affordable Housing and Public Infrastructure: Voter Approval –This constitutional amendment would need the approval of two thirds in both houses to get on a ballot. It would also need to be passed by a majority of voters on that ballot. It would lower the necessary voter threshold from a two-thirds supermajority to 55 percent to approve local general obligation bonds and special taxes for affordable housing and public infrastructure projects. This proposal has some momentum. Member Lewis asked if this would also apply to a parcel tax. Andrew replied that it would.

AB 825 (Mullin) San Mateo County Flood and Sea Level Rise Resiliency District – Matt Fabry explained that this bill is currently a spot bill form, awaiting processing in the legislature, but is expected to be in print next week. Staff provided handouts of the draft legislative language as it was not out in print yet. Staff also provided a letter of support to consider.

Under existing law, the San Mateo County Flood Control District Act, establishes the San Mateo County Flood Control District for the purpose of controlling the floodwater and stormwater of the County of San Mateo. This bill would modify the District to change the name to the Flood and Sea Level Rise Resiliency Agency, revise the governance to a seven-member board including five city council representatives and two county supervisors, expanding authorities to address sea level rise, and updating funding and financing authorities to reflect changes in the State Constitution since the Act was first written. There was also an addition that the new board would take effect on January 1, 2020 and the old agency would cease to operate. There were a few areas of concern in the language where the term board was not defined as the new board and could be interpreted as the board of supervisors. County counsel was working on making sure clarifications were addressed.

Member Masur asked about how the composition decision of the new board was made. General discussions at the C/CAG water committee and the staff advisory team made that determination by considering sufficient representation while still keeping a nimble board.

Member Masur moved and Chair O'Connell seconded a recommendation that the C/CAG Board send letters of support for AB 128 (Beall, SB 137 (Dodd), AB 252 (Daly), ACA1 (Aguiar-Curry), and AB 825 (Mullin). Motion passed unanimously.

#### **4. Discussion on proposed schedule for "2019 Lobby Day"**

Staff announced that April 23, 2019 is the set date for 2019 Lobby Day. Our Legislative Advocate, Matt Robinson, had provided a list of suggested meetings to set up but would like feedback from the committee members. Matt suggested that the committee meet with the following delegates and/ or staff: Senator Scott Wiener, Senator Hill, Assembly Member Chiu, Assembly Member Mullin, Assembly Member Ting, Ronda Paschal (Governor's Leg Deputy for Housing and Transportation), someone from the California Department of Housing and Community Development. At this time, it was not clear who the committee should meet for water issues. A better idea could be made after the AB 825 is referred to a committee.

Participants form their own carpools and meet at a designated room around 10:00am. An agenda will be sent out to participants a few days before the 23<sup>rd</sup>, after timeslots are filled and finalized with legislative staff. Member Mazur asked if we would want to prioritize meeting members that represent our districts. Member O'Connell suggested otherwise as there are many more opportunities to see our district representative and there is less of an opportunity to meet the others.

#### **5. Adjournment**

The meeting adjourned at approximately 5:55 P.M.

**Legislative Committee 2019 Attendance Record**

Agency	Name	Jan 10	Feb 14	March 14	April 11	May 9	June 13	July 11	August	Sept 12	Oct	Nov	Dec 12
Elizabeth Lewis	Atherton	N/A	N/A	x									
Foster City	Catherine Mahanpour	x		x									
Hillsborough	Marie Chuang (C/CAG Vice Chair)	x	x	x									
Menlo Park	Catherine Carlton		x										
Millbrae	Gina Papan	x	x										
Pacifica	Sue Vaterlaus	x	x	x									
Portola Valley	Maryann Moise Derwin (C/CAG Chair)	x	x	x									
Redwood City	Shelly Masur	x		x									
San Bruno	Irene O'Connell (Leg Vice Chair)	x	x	x									
Sounth San Francisco	Richard Garbarino	x	x	x									

 no meeting

## C/CAG AGENDA REPORT

Date: April 11, 2019

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, contact Jean Higaki at 650-599-1462)

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### RECOMMENDATION

That the C/CAG Legislative Committee review and 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.

There is a recommendation to support or oppose the following bills:

SB 152 (Beall) Active Program Funding - This bill would increase the share of active transportation (ATP) funds dedicated to regional agencies to 75 percent, distributed by population. Currently, regional agencies receive 40 percent of the funding in the ATP funds for distribution. This bill would give MTC additional resources to program for ATP projects.

AB 738 (Mullin) Affordable Housing - This bill would allow funds, that are set aside for construction of affordable housing, to be allocated across San Mateo County jurisdictions, allowing cities to pool resources and share credit on their housing production reports based on their proportionate share of funds contributed to fund the proposed affordable project. The amount of credit a jurisdiction may take shall not exceed 25% of its overall housing need allocation.

AB 1568 (McCarty) Loss of Transportation Funding for Failure to Meet Housing Production Targets - This bill would require HCD to review each production report submitted by a city or

county in to determine if that city or county has met the applicable minimum housing production goal for the reporting period. If a local agency fails to meet their production targets, the bill would require the Controller to withhold Road Maintenance and Rehabilitation Account funding for that jurisdiction and deposit those funds in a separate escrow account for each city or county that is not in compliance. The bill would require the Controller to distribute the funds to the local agency when they are found to comply.

Budget Request - C/CAG staff have been working with Assembly Member Mullin's staff on a budget request to advance designs of multi-benefit regional stormwater capture projects in San Mateo County. The Assembly Member submitted an \$8 million request to the Senate and Assembly budget committees for planning, environmental review, community engagement, alternatives analysis, and engineering design for regional stormwater retention projects, including existing project concepts in San Bruno and Redwood City. These projects would improve water quality, mitigate downstream flooding, protect downstream disadvantaged communities, recharge groundwater basins, provide alternative water supply, and build resiliency against climate change.

Providing funding for project designs will help the cities, County, and new Flood and Sea Level Rise Resiliency Agency compete for upcoming implementation funding opportunities, such as under Propositions 1 and 68. The budget request also leverages a recently-announced \$500,000 grant award from the U.S. Environmental Protection Agency to San Mateo County for doing preliminary design work on the San Bruno and Redwood City concepts. Staff recommends the C/CAG Board submit a support letter for the budget request.

For SB 50 (Wiener) Planning and Zoning: Housing Development: Equitable Communities Incentives – Because general statements of opposition are likely to be ineffective, staff is requesting that individual cities provide C/CAG staff with specific city issues or city position letters to support a position in a draft letter for the Legislative Committee and C/CAG Board's consideration at the May committee and board meeting.

## **ATTACHMENTS**

1. April 2019 Legislative update from Shaw/ Yoder/ Antwih, Inc.
2. Draft Letter in support of SB 152 (Beall)
3. Draft Letter in support of AB 738 (Mullin)
4. AB 738 Factsheet
5. Draft Letter in opposition of AB 1568 (McCarty)
6. Draft Letter in support of Assembly Member Mullin's budget request
7. SB 50 Factsheet
8. Full Legislative information is available for specific bills at <http://leginfo.legislature.ca.gov/>



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

**DATE:** March 29, 2019  
**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 2019

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***Legislative Update***

Policy committees are in full swing, with hundreds of bills heard over the last few weeks. Additionally, budget committees have begun hearing department requests related to the Governor’s budget proposal. Many of the bills related to the CASA Compact will be heard in policy committees in the coming weeks. The Legislature has until the end of April to hear bills in policy committees. The Legislature will break for Spring Recess on April 11, returning April 22. We are tracking a number of bills for C/CAG, some of which are identified under ***Bills of Interest*** below.

***Governor Newsom Releases Housing Proposal***

As we previously discussed, the Governor’s January 10 Proposed Budget, the Budget set the stage for a discussion on tying transportation funds to housing production. The Budget states:

*“Going forward, the state will strongly encourage jurisdictions to contribute to their fair share of the state’s housing supply by linking housing production to certain transportation funds and other applicable sources, if any. The Administration will convene discussions with stakeholders, including local governments, to assess the most equitable path forward in linking transportation funding and other potential local government economic development tools to make progress toward required production goals.”*

On March 11, the Governor released [budget trailer bill language](#) that encapsulates the statement made in his budget. The proposal sets higher short-term housing production goals for cities & counties, and provides \$750 million in support and incentives from the General Fund, to help these jurisdictions plan and zone for these higher, ambitious housing targets. The proposal would also update and modernize the process of developing and allocating to regions the state’s long-term housing goals, known as Regional Housing Needs Allocations (RHNA). The RHNA is the state-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate in its Housing Element. As part of this process, the California Department of Housing and Community Development (HCD) identifies the total housing need for each region, for an eight-year period (in the current cycle, from 2015 to 2023). Regions must then develop a methodology to distribute this need to local governments in a manner that is consistent with the development pattern included in the Sustainable Communities Strategy (SCS). Once a local government has received its final RHNA, it must revise its Housing Element to show how it plans to accommodate its portion of the region’s housing need.



Under the Governor’s proposal, HCD, in collaboration with the Governor’s Office of Planning and Research and stakeholders, must also propose an improved RHNA process and methodology that promotes and streamlines housing development.

As noted above, the proposal provides additional clarity regarding linking the new RHNA process and housing production to the provision of transportation funds, like those made available by SB 1. **The proposal requires HCD, in coordination with the California State Transportation Agency and the Governor’s Office of Planning and Research, to engage stakeholders to develop and propose policies for linking transportation and other non-housing funds – including, very specifically, local streets and road funds from SB 1 – with housing goals by the end of 2022.**

The proposal authorizes the state to withhold SB 1’s local streets and roads funds from any jurisdiction that does not have a compliant Housing Element and has not zoned and entitled for its updated annual housing goals, beginning July 1, 2023.

### ***Bills of Interest***

#### **SB 4 (McGuire and Beall) Planning and Zoning for Housing\***

This bill would a neighborhood multifamily project or eligible TOD project to submit an application for a ministerial approval process. The bill would define a “neighborhood multifamily project” to mean a project to construct a multifamily unit of up to 2 residential dwelling units in a nonurban community, as defined, or up to 4 residential dwelling units in an urban community, as defined, that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019. The bill would define an “eligible TOD project” as a project located in an urban community, as defined, that meets specified height requirements, is located within 1/2 mile of an existing or planned transit station parcel or entrance, and meets other floor area ratio, density, parking, and zoning requirements. The bill also requires an eligible TOD project development proponent to develop a plan that ensures transit accessibility to the residents of the development in coordination with the applicable local transit agency. The bill would require specified TOD projects to comply with specified affordability, prevailing wage, and skilled and trained workforce requirements. The bill would also define “eligible parcel” to mean a parcel located within a city or county that has unmet regional housing needs and has produced fewer housing units than jobs over a specified period; is zoned to allow residential use and qualifies as an infill site; is not located within a historic district, coastal zone, very high fire hazard severity zone, or a flood plain; the development would not require the demolition of specified types of affordable housing; the parcel is not eligible for development under existing specified transit-oriented development authorizations; and the parcel in question has been fully reassessed on or after January 1, 2021, to reflect its full cash value.

#### **SB 5 (Beall) Local-State Sustainable Investment Incentive Program\***

This bill would establish the Local-State Sustainable Investment Incentive Program, which would be administered by the Sustainable Investment Incentive Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority or transit village development district to apply to the Committee to participate in the program and would authorize the Committee to approve or deny applications for projects meeting specific criteria. Upon approval of a project application, the bill would require the Committee to issue an order directing the county auditor to reduce the total amount of ad valorem property tax revenue otherwise required to be contributed to the county’s ERAF from the applicant by the annual reduction amount approved. The bill would require a county auditor, if the applicant is an enhanced infrastructure financing district, affordable housing authority, transit village development district, or community revitalization investment authority, to transfer to the district or authority an amount of property tax revenue equal to the reduction amount approved by the Committee.

### **SB 50 (Wiener) Planning and Zoning: Housing Development: Equitable Communities Incentives\***

This bill would require a city, county, or city and county to grant upon request an equitable communities incentive when a development proponent seeks and agrees to construct a residential development, as defined, that satisfies specified criteria, including, among other things, that the residential development is either a job-rich housing project or a transit-rich housing project, as those terms are defined; the site does not contain, or has not contained, housing occupied by tenants or accommodations withdrawn from rent or lease in accordance with specified law within specified time periods; and the residential development complies with specified additional requirements under existing law. The bill would require that a residential development eligible for an equitable communities incentive receive waivers from maximum controls on density and automobile parking requirements greater than 0.5 parking spots per unit, up to 3 additional incentives or concessions under the Density Bonus Law, and specified additional waivers if the residential development is located within a 1/2-mile or 1/4-mile radius of a major transit stop, as defined. The bill would authorize a local government to modify or expand the terms of an equitable communities incentive, provided that the equitable communities incentive is consistent with these provisions.

### **SB 128 (Beall) Enhanced Infrastructure Financing Districts: Bonds: Issuance**

Existing law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters voting on a proposal to issue the bonds. This bill would instead authorize the public financing authority to issue bonds for these purposes without submitting a proposal to the voters. The bill would require the resolution to issue bonds to contain specified information related to the issuance of the bonds. *C/CAG SUPPORTS this measure.*

### **SB 137 (Dodd) Federal Transportation Funds: State Exchange Programs**

Existing federal law apportions transportation funds to the states under various programs, including the Surface Transportation Program and the Highway Safety Improvement Program, subject to certain conditions on the use of those funds. Existing law provides for the allocation of certain of those funds to local entities. Existing law provides for the exchange of federal and state transportation funds between local entities and the state under certain circumstances. This bill would authorize the Department of Transportation to allow the above-described federal transportation funds that are allocated as local assistance to be exchanged for Road Maintenance and Rehabilitation Program funds appropriated to the department. *C/CAG SUPPORTS this measure.*

### **SB 152 (Beall) Active Program Funding**

This bill would increase the share of active transportation (ATP) funds dedicated to regional agencies to 75 percent, distributed by population. Currently, regional agencies receive 40 percent of the funding in the ATP funds for distribution. This bill would give MTC additional resources to program for ATP projects. *We recommend C/CAG SUPPORT this measure.*

### **AB 11 (Chiu) Community Redevelopment Law of 2019\***

This bill, the Community Redevelopment Law of 2019, would authorize cities and counties to create agencies that would use tax increment financing to fund affordable housing and infrastructure projects. This bill takes a similar approach to the tax increment financing structure used by the former redevelopment agencies.

### **AB 252 (Daly) Caltrans NEPA Delegation**

Existing law, until January 1, 2020, provides that the State of California consents to the jurisdiction of the federal courts regarding the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the program. This bill would extend the operation of these provisions indefinitely. *C/CAG SUPPORTS this measure.*

**AB 738 (Mullin) Affordable Housing**

This bill would allow funds, that are set aside for construction of affordable housing, to be allocated across San Mateo County jurisdictions, allowing cities to pool resources and share credit on their housing production reports based on their proportionate share of funds contributed to fund the proposed affordable project. The amount of credit a jurisdiction may take shall not exceed 25% of its overall housing need allocation. ***We recommend C/CAG SUPPORT this measure.***

**AB 825 (Mullin) San Mateo County Flood Control District**

Existing law, the San Mateo County Flood Control District Act, establishes the San Mateo County Flood Control District for the purpose of controlling the floodwater and stormwater of the County of San Mateo. This bill would modify the District to change the name to the Flood and Sea Level Rise Resiliency Agency, revise the governance to a seven-member board including five city council representatives and two county supervisors, expanding authorities to address sea level rise, and updating funding and financing authorities to reflect changes in the State Constitution since the Act was first written.

***C/CAG SUPPORTS this measure.***

**AB 847 (Grayson) Transportation Funding to Incentivize Housing**

This bill would require HCD to review each production report submitted by a city or county in to determine if that city or county has met the applicable minimum housing production goal for the reporting period. The bill would redirect transportation revenues currently used for debt-service (e.g. vehicle weight fees) to be apportioned by the Controller to cities and counties if they have been certified by HCD to have met their very low-income housing goals or low-income housing goals.

**AB 1568 (McCarty) Loss of Transportation Funding for Failure to Meet Housing Production Targets**

This bill would require HCD to review each production report submitted by a city or county in to determine if that city or county has met the applicable minimum housing production goal for the reporting period. If a local agency fails to meet their production targets, the bill would require the Controller to withhold Road Maintenance and Rehabilitation Account funding for that jurisdiction and deposit those funds in a separate escrow account for each city or county that is not in compliance. The bill would require the Controller to distribute the funds to the local agency when they are found to comply. ***We recommend C/CAG OPPOSE this measure.***

**ACA 1 (Aguilar-Curry) Local Government Financing: Affordable Housing and Public Infrastructure: Voter Approval.**

This constitutional amendment would lower the necessary voter threshold from a two-thirds supermajority to 55 percent to approve local general obligation bonds and special taxes for affordable housing and public infrastructure projects. ***C/CAG SUPPORTS this measure.***

*Bills marked with an \* are being tracked by MTC as implementing elements of the CASA Compact. These bills are not sponsored by MTC. The above list does not include all bills MTC has identified.*

# C/CAG

## CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

*Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside*

April 11, 2019

The Honorable Jim Beall  
California State Senate  
State Capitol Building, Room 2082  
Sacramento, CA 95814

RE: **SUPPORT** for SB 152 (Beall)

Dear Senator Beall:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to **SUPPORT** SB 152 (Beall), which would improve the Active Transportation Program (ATP) by overhauling the distribution of program funds and streamlining the program's administration. The ATP was established by the legislature to fund projects that increase active modes of transportation across the state including walking and biking, increase safety for non-motorized users, reduce greenhouse gas admissions, and enhance public health. SB 1 (Beall) infused an additional \$100 million in new funding and dramatically increasing the potential impact of these important projects.

The Legislative Analyst Office (LAO) recently released a report reviewing the ATP program. The report identified several areas to improve the administration of the program, including modifying the formula for the distribution of funds to increase the percentage of program funds being distributed through the regional agencies. SB 152 would set aside 75 percent of the funds in the ATP for MPOs, ensuring that planned projects within the Bay Area region would have a more predictable funding source.

Therefore, we **SUPPORT** SB 152 and appreciate your efforts to secure additional ATP funds for the Bay Area. Please feel free to contact Sandy Wong, C/CAG's Executive Director, at [slwong@smcgov.org](mailto:slwong@smcgov.org) with any questions or concerns.

Sincerely,

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

Cc: Assembly Member Marc Berman  
Assembly Member Kevin Mullin  
Assembly Member Phil Ting  
Senator Jerry Hill

# C/CAG

## CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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April 11, 2019

The Honorable Kevin Mullin  
California State Assembly  
State Capitol, Room 3120  
Sacramento, CA 95814

RE: **SUPPORT** for AB 738 (Mullin)

Dear Assembly Member Mullin:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, is pleased to write to you today in **SUPPORT** of your bill, AB 738. This bill would allow funds for affordable housing to be allocated across San Mateo County jurisdictions, allowing cities to pool resources and share credit on their housing production reports based on their proportionate share of funds contributed to fund the proposed affordable project.

The cities within San Mateo County are somewhat unique in their size and proximity to one another. Our County has a long history of supporting developments in adjacent communities when it makes sense and helps further our region's housing goals. This bill will allow our county to maintain this important flexibility as we work to provide affordable housing for our workers.

Therefore, we **SUPPORT** AB 738 and appreciate your efforts to include this authorization. Please feel free to contact Sandy Wong, C/CAG's Executive Director, at [slwong@smcgov.org](mailto:slwong@smcgov.org) with any questions or concerns.

Sincerely,

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

Cc: Assembly Member Marc Berman  
Assembly Member Phil Ting  
Senator Jerry Hill



ASSEMBLY MEMBER

**Kevin Mullin**

DISTRICT 22



## AB 738: Regional Housing; San Mateo

**PURPOSE: AB 738** will allow funds, that are set aside for construction of affordable housing, to be allocated more effectively within San Mateo County jurisdictions, thereby expediting the construction of more affordable housing.

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**EXISTING LAW:** Requires cities and counties to plan and zone for housing of all income levels within their jurisdictional boundaries. In addition those jurisdictions must submit an annual report to the Department of Housing and Community Development (HCD) that indicates the number of housing units have been permitted and built during the previous year (production report).

Requires HCD to determine the existing and projected need for housing in each region throughout the state. HCD or the local Counsel of Government (COG) then determines the number of units each individual jurisdiction is required to plan for.

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**SUMMARY:** The lack of adequate affordable housing in the Bay Area is well documented. According to the Metropolitan Transportation Commission/Association of Bay Area Governments (MTC/ABAG): since 2010, the Bay Area has added 722,000 jobs but constructed only 106,000 housing units. Rent and single family home prices are pushing many out of the region, exacerbating traffic congestion and commute times as well as economic inequality.

Many communities in San Mateo County have affordable housing fund balances available to help subsidize an affordable development

project. Unfortunately, in many instances the balance is not sufficient to develop a project of more than a few units. Existing law creates a disincentive for communities to share or otherwise pool funds which would create a more substantial subsidy to develop a larger project.

In most instances, residents don't pay much attention to municipal boundaries. There is no policy rationale to limiting the expenditure of housing funds to a particular city, as long as those funds stay in the region. In this instance all funds must remain within San Mateo County.

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**SOLUTION: AB 738** will allow communities in San Mateo County to pool resources and share credit on their production report based on their proportionate share of funds contributed to fund the proposed affordable project in the other district. The amount of credit a jurisdiction may take shall not exceed 25% of its overall housing need allocation.

Example: If City A donates \$500,000 to City B to build an affordable project in City B and that amount is proportionate to 10% of the overall cost of the project, City A may report 10% of those units on its annual production report submitted to HCD for that year.

AB 738 is a pilot for San Mateo County and its cities only.

AB 738 is only eligible for development of deed restricted affordable housing.

AB 738 requires a public hearing prior to entry into a sharing agreement as well as a determination that any sharing will not cause or exacerbate racial, ethnic or economic segregation.

**SUPPORT:** County of San Mateo

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**STAFF CONTACT:**

Hugh Bower  
916-319-2022  
Hugh.Bower@asm.ca.gov

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# C/CAG

## CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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April 11, 2019

The Honorable Kevin McCarty  
California State Assembly  
State Capitol, Room 2136  
Sacramento, CA 95814

### **RE: Opposition to AB 1568 (McCarty)**

Dear Assembly Member McCarty:

The City/County Association of Governments of San Mateo County (C/CAG), the Congestion Management Agency (CMA) for San Mateo County, must unfortunately write to you in **OPPOSITION** to AB 1568 (McCarty). This bill would seek to withhold funding from cities and counties from SB 1 – the Road Repair and Accountability Act of 2017 (Chapter No. 5, statutes of 2017) – if housing production within a jurisdiction does not meet the regional housing needs allocation (RHNA).

Withholding transportation funding – for streets, roads or public transit – goes against the will of the voters who have repeatedly and overwhelmingly dedicated transportation funds for local transportation improvements. Denying local transportation funding could jeopardize a number of local projects within San Mateo County.

AB 1568 specifically seeks to use the recently established Road Maintenance and Rehabilitation Account (RMRA) as the source to penalize cities and counties. The RMRA was established to fund critical maintenance, rehabilitation and safety projects on state highways and local streets and roads and was achieved after several years of intense legislative investigation into the major maintenance backlog and needs of the statewide multimodal transportation system. C/CAG is concerned by this legislative effort to create new requirements for cities and counties to receive much-needed transportation improvement funds and believe it will negatively affect the state's ability to secure such funds in the future.

AB 1568 would significantly alter the requirements for local agencies to receive their fair share of RMRA funding for local transportation improvements. While California works to address housing affordability, withholding funding intended for much needed local transportation improvements is not the solution.

For these reasons, we respectfully **OPPOSE** AB 1568. Please feel free to contact Sandy Wong, the C/CAG Executive Director, at [slwong@smcgov.org](mailto:slwong@smcgov.org) with any questions or concerns.

Sincerely,

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

Cc: Assembly Member Marc Berman  
Assembly Member Kevin Mullin  
Assembly Member Phil Ting  
Senator Jerry Hill



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April 11, 2019

The Honorable Phil Ting  
Chair, Assembly Budget Committee  
State Capitol, Room 6026

The Honorable Holly Mitchell  
Chair, Senate Budget Committee  
State Capitol, Room 5080

The Honorable Richard Bloom  
Chair, Budget Subcommittee No. 3  
State Capitol, Room 2003

The Honorable Bob Wieckowski  
Chair, Budget Subcommittee No. 2  
State Capitol, Room 4085

### **Re: Multi-Benefit Stormwater Capture Budget Request**

Dear Chairs Ting, Mitchell, Bloom and Wieckowski:

On behalf of the City/County Association of Governments of San Mateo County (C/CAG), I am writing to support the budget request submitted by Assembly Member Mullin in the amount of \$8 million for C/CAG to advance designs of multi-benefit stormwater capture projects.

Our member agencies are undergoing efforts to transition their storm drainage systems from traditional “gray” infrastructure to more sustainable “green” infrastructure systems that capture, clean, and infiltrate stormwater to improve water quality in local creeks, San Francisco Bay, and the Pacific Ocean. In addition, San Mateo County is one of the most threatened areas in the state from climate change and sea level rise. Regional scale stormwater capture/retention systems play an essential role in helping to address these issues, cost-effectively capturing and cleaning significant volumes of runoff, providing downstream flood control benefits, infiltrating water into underlying groundwater basins, providing alternative supplies for landscape irrigation, building resiliency for water supply and flood management, and minimizing operation and maintenance burdens through centralized facilities.

The proposed funding will support planning and design for regional stormwater retention projects, including existing project concepts in San Bruno and Redwood City. This funding will also directly support the proposed San Mateo County Flood and Sea Level Rise Resiliency Agency that is being created to address stormwater, flooding, sea level rise, and coastal erosion issues. C/CAG has been working closely with San Mateo County to advance this agency and supports the essential role it will play in protecting San Mateo County in the coming decades.

On behalf of C/CAG, I strongly support Assembly Member Mullin’s request for funding for these essential projects.

Sincerely,

Maryann Moise Derwin, Chair  
C/CAG Board of Directors



## Senator Scott Wiener, 11<sup>th</sup> Senate District

### SB 50 – More HOMES Act of 2019:

### *Housing, Opportunity, Mobility, Equity, Stability*

#### SUMMARY

Senate Bill 50 allows for building housing near existing job centers and public transportation, and includes strong protections against displacement for renters and vulnerable communities in those areas.

The bill is expected to help relieve the acute housing shortage and affordability crisis in California's cities while reducing pressure to build in the wildfire-exposed urban-wildland interface. It will also reduce climate pollution by greatly expanding access to sustainable transportation options, like public transportation, and by allowing people to live closer to where they work.

#### BACKGROUND/EXISTING LAW

Existing law leaves most zoning and land use decisions to local governments, and includes no minimum density standards near state- and federally-funded transit infrastructure. While state land use standards in the Density Bonus Law and SB 375 establish general guidelines and principles, they do not include adequate provisions for enforcement.

Due to the lack of adequate and enforceable statewide standards, most California cities (with a few noteworthy exceptions) are still operating from outdated and highly restrictive zoning ordinances that make it difficult or impossible to build multi-family dwellings at any density; duplexes, fourplexes, and similar infill housing types near high-quality transit are routinely banned due to neighborhood objections and underlying single-family zoning.

Clearly, a significant component of solving California's housing crisis must include greatly expanding access to transit services for workers at all income levels, while addressing the well-documented housing shortage. The status quo is jeopardizing several of the State's high-priority policy objectives:

- **On housing affordability:** [The California Legislative Analyst's Office](#) has found that the housing shortage in coastal cities is pushing a growing share of Californians into poverty, and forcing a large and growing cohort to spend more than half their income on rent.
- **On climate change:** The [California Air Resources Board](#) has found that the state will miss its climate targets unless Californians

reduce the amount they drive by 25 percent by 2030. Absent a surge of new housing development in livable, pedestrian-oriented areas near public transit, such reductions in vehicle miles travelled are impossible.

- **On equitable growth:** [According to the California Department of Housing and Community Development](#), "Today's population of 39 million is expected to grow to 50 million by 2050. Without intervention, much of the population increase can be expected to occur further from job centers, high-performing schools, and transit, constraining opportunity for future generations."

#### PROBLEM

Economic and educational opportunities in California are increasingly concentrated in urban areas, but housing construction has not kept pace with demand for access to these opportunities. Local governments play the lead role in determining the location and amount of housing in their jurisdictions, including which developments will be located near high-quality transit corridors. They also control, via housing supply, access to schools and other vital services and amenities that improve community well-being and ensure a vibrant economic future.

The dearth of new housing construction in California's highest-opportunity communities has compounded over the last several decades into a [shortage of 3.5 million homes](#), according to the California Housing and Community Development Department.

California's workers and families feel the results of this shortage in the form of exorbitant rents and the highest home purchase prices in the nation. Excessive competition for limited housing supply is also [driving a statewide epidemic of displacement, evictions, and homelessness](#).

California's failure to keep home building on pace with job growth is directly responsible for longer commutes and increased air pollution. Millions of low- and middle-income Californians have [multi-hour commutes](#), as they seek affordable housing far from areas with concentrated economic and educational opportunities.

Statewide, California’s businesses have created 4.5 jobs for every new housing unit; according to the [Building Industry Association](#), the ideal ratio is 1.5 jobs per housing unit.

[According to the Department of Housing and Community Development:](#)

“Land use policies and planning can help encourage greater supply and affordability, as well as influence the type and location of housing. Thoughtful land use policies and planning can translate into the ability for families to access neighborhoods of opportunity, with high-performing schools, greater availability of jobs that afford entry to the middle-class, and convenient access to transit and services. Easy access to jobs and amenities reduces a household’s daily commute and other travel demands. Encouraging new homes in already developed areas and areas of opportunity not only alleviates the housing crisis, but also supports the State’s climate change and equity goals.”

**SOLUTION**

While the housing shortage is chronic across most California jurisdictions, there are several examples of cities taking the lead on reforms that help alleviate the crisis by encouraging infill housing near transit, job, and educational opportunities. These include [Los Angeles, which authorized creation of the Transit Oriented Communities \(TOC\) program in 2017](#). The measure created powerful incentives for affordable housing near Metro subway stops and bus services through modifications to the zoning code; as projects move closer to high-quality transit, they are required to increase the amount of affordable housing.

[Oakland’s experience](#) also offers a positive vision for future housing growth. In 2016, the city eliminated minimum parking requirements, drastically reducing the cost of new housing construction while encouraging new developments on high-quality transit corridors. The changes to the city’s zoning and development standards have resulted in a mini-boom of walkable, transit-oriented apartments near BART and AC Transit bus stations, and within a short distance from the city’s primary job locations.

***Senate Bill 50 integrates lessons learned from cities like Los Angeles and Oakland to expand the benefits of affordable, transit-rich and job-rich housing across the state. The bill will give cities new tools to provide relief to rent-burdened workers and families while reversing the growing, and alarming, trends of homelessness, displacement, and migration out of California.***

**State Minimums, More Housing Choices:**

The bill waives apartment bans near high-quality transit and in job-rich areas to ensure that the benefits of public investments in transportation are broadly accessible to Californians of all incomes. The bill also includes specific requirements to provide low-income housing in new development to ensure that market-rate construction is always coupled with affordable units for the lowest income Californians.

SB 50 applies to sites that are either within ½ mile of high-quality public transportation, or within a job-rich, high-opportunity neighborhood. Under SB 50, a local government will be allowed to approve higher-density housing with no parking requirements, provided the site is adjacent to transit, or reduced parking requirements in areas close to jobs and high-quality schools. Height limits for new housing with close, walkable access to rail transit will be loosened to encourage mid-rise, apartment-style housing construction. For example, in areas close to rail or transit-connected ferry service, a local government may allow buildings of up to 4-5 stories, depending on the distance from transit.

**Preservation of Local Control:**

Under the legislation, all housing projects will still be subject to environmental review (the California Environmental Quality Act), and existing labor and employment standards for new construction. Local development fees, community engagement processes, and architectural design review for each housing development will remain as-is. Additionally:

- **Anti-demolition:** A local government retains existing authority to ban, prohibit, or restrict demolition of existing housing, consistent with the Housing Accountability Act. At a minimum, a local government may not issue demolition permits for housing currently or recently occupied by renters.
- **Local affordable housing policy:** If a local government requires more affordable housing than what is required in SB 50, that policy will be honored in new developments.
- **Neighborhood height limits:** A local government retains authority to set or maintain local height limits for new housing in areas without easy access to rail transit.
- **Local initiatives to encourage TOD:** If a community has a successful, preexisting, program to encourage apartments near public transportation, such as the TOC program in Los Angeles, then properties eligible for that incentive will be ineligible for this program.

## Key provisions for renters and sensitive communities:

SB 50 includes the following provisions:

- **Tenant Protections:** Establishes strict tenant protections to ensure long-time residents will not be displaced from their communities, including a prohibition on demolishing buildings currently or recently occupied by renters.
- **Affordable Housing:** Establishes an inclusionary zoning policy that can only be met by providing housing for low, very low, or extremely low-income households, ensuring affordable housing will be built for people of all income levels.
- **Sensitive Communities:** Allows for delayed implementation in sensitive communities at risk of gentrification and displacement, and grants five years for a community-led planning process in these neighborhoods.
- **Job-Rich Communities:** Proposes a new “job-rich housing project” incentive to ensure that communities with easy access to jobs and in neighborhoods with high-performing public schools allow a broader range of housing choices for people of all income levels, even in the absence of high-quality transit.

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### CO-AUTHORS

- Sen. Anna Caballero (D-Salinas)
- Sen. Ben Hueso (D-San Diego)
- Sen. John Moorlach (R-Costa Mesa)
- Sen. Nancy Skinner (D-Berkeley)
  
- Asm. Autumn Burke (D-Marina Del Rey)
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- Asm. Ash Kalra (D-San Jose)
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- Asm. Evan Low (D-Campbell)
- Asm. Robert Rivas (D-Hollister)
- Asm. Phil Ting (D-San Francisco)
- Asm. Buffy Wicks (D-Oakland)

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### SPONSORS/SUPPORT

- **California Yimby (Co-Sponsor)**
- **Non-Profit Housing (NPH) Association of Northern California (Co-Sponsor)**
- Abundant Housing Los Angeles
- Bay Area Council
- Bay Area Housing Advocacy Coalition
- Black American Political Association of California (BAPAC) – Sacramento Chapter

- California Apartment Association
- California Asian Pacific Islander Chamber of Commerce
- California Association of Realtors
- California Foundation of Independent Living Centers
- California League of Conservation Voters
- California Renters Legal Advocacy and Education Fund (CaRLA)
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- Progress Noe Valley
- San Francisco Housing Action Coalition
- San Francisco Planning and Urban Research (SPUR)
- Santa Cruz Yimby
- Silicon Valley Community Foundation
- Silicon Valley Leadership Group
- South Bay Yimby
- State Building and Construction Trades Council, AFL-CIO
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- Supervisor Don Horsley, San Mateo County
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- Supervisor Michael Kelley, Imperial County

- Supervisor Miguel Villapudua, San Joaquin County
- Up For Growth, California
- Valley Industry Commerce Association
- YIMBY Action

**FOR MORE INFORMATION**

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