



SACOG Board of Directors

**Subject:** State Advocacy Update

**Receive and File**

**Prepared by:** Christina Lokke

**Attachments:** No

**Board of Directors Regular Meeting**  
**Meeting Date:** 3/15/2018  
**Agenda Item No.:** 2018-March-18.

**Approved by:** James Corless

### **1. Issue:**

State Advocacy Update

### **2. Recommendation:**

None, this item is for information only.

### **3. Background/Analysis:**

The Legislature had until February 16, to introduce new bills in this second year of the 2017-2018 Legislative Session. Staff is currently reviewing the hundreds of introduced bills and will report back with a more complete legislative tracking report in April. Additionally, the Governor has released his proposed budget for fiscal year 2018-2019.

### **4. Discussion/Analysis:**

In January the Governor released his proposed budget for the upcoming fiscal year. Items of note are outlined below.

Over the next ten years, SB 1 will provide more than \$15 billion in new funding for local road maintenance and repairs, \$2 billion in matching funds for local partnership projects, \$7.6 billion in new funding for transit and intercity rail, and \$1 billion for active transportation projects. In the upcoming fiscal year, the budget makes a total of over \$2.2 billion local allocations of SB 1 funds and distributes \$1.2 billion in fuel excise tax to cities and counties for local streets and roads projects.

The housing package the Legislature passed last year will provide additional funding options for affordable housing in the state and it included statutory changes that will reduce production costs. A new real estate transaction fee will result in about \$258 million annually for affordable housing and in November voters will decide on a \$4 billion bond, which includes \$3 billion in general obligation bonds for various housing programs and \$1 billion for veterans housing. This year the Legislature also continues to focus on the issue of affordable housing and ways to incentivize increased housing development.

Legislators have again introduced numerous bills on the topic which will be highlighted in the future legislative tracking report. Of note is SB 827 (Weiner), which provides housing projects near transit with a "transit-rich housing bonus." Projects receiving this bonus would be relieved of various local regulatory constraints, including maximum controls on residential density or floor area ratio, minimum parking requirements, and design standards that limit density.

The Governor proposes \$1.25 billion in cap-and-trade spending. The plan includes \$25 million for the Transformative Climate Communities Program, \$160 million of healthy forests funding, and \$255 million to implement AB 617, a new local air pollution control program the Legislature passed last year.

The Legislature is beginning to review the Governor's budget proposal via the budget subcommittee process. The Governor will release his May Revise budget in mid-May. The Constitutional deadline for the Legislature to pass a budget is June 15.

## **5. Fiscal Impact/Grant Information:**

This item has no direct fiscal impact.