



SACOG Board of Directors

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Receive & File**

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State Advocacy Update

The Legislature is on summer recess until August 21. Since the Government Relations and Public Affairs Committee met in early June, there have been several significant updates. The Legislature passed a budget, a cap and trade extension through 2030, and signaled its intent to address housing policy in the last few weeks of the legislative year before they recess on September 15.

Still in progress, the Air Resources Board is also handling several issues of interest to SACOG, including finalizing a greenhouse gas target for SACOG and other Metropolitan Planning Organizations. Of great importance to our region was the Air Resources Board's decision to award \$44 million to the City of Sacramento as part of the Volkswagen emissions settlement.

Below is an overview of the key developments since June. Staff will present any new information at the August 28 Government Relations & Public Affairs Committee meeting.

Budget

The Governor signed a 2017-18 budget in June that includes implementation of SB 1, the new transportation road maintenance and rehabilitation funding (more below). With legislative focus moving away from transportation funding, there are a few budget issues of interest to SACOG members worth highlighting:

- \$2 million for local agencies to aid in the removal of dead or dying trees through California Disaster Assistance Act funding.
- A new requirement for dams to have an emergency action plan updated every ten years, making dam owners responsible for emergency response, and providing the Department of Water Resources (DWR) with additional enforcement tools.
- \$111 million in additional funding to DWR for flood protection and repair.
- Loans amounting to \$6.5 million to the Dam Safety Fund for DWR to carry out dam safety activities.
- \$7 million in grants to local governments to prepare for the 2020 Census, a substantial increase from the last Census. Grants range from \$7,500 to \$125,000 per jurisdiction.

SB 1 Implementation

With SB 1 funding starting to flow this fall, SACOG staff has been working diligently with the California Transportation Commission (CTC), other regional agencies, and SACOG members to comment on guidelines under development and help answer questions about what is known so far.

While SB 1 will raise an average of \$5.2 billion per year in new transportation funding at full implementation, \$2.8 billion is expected in 2017-18. The first new fuel tax rates imposed by the bill will begin in November 2017 and the value-based “transportation improvement fee” will be implemented in January 2018.

Jurisdictions should incorporate their proposed Road Maintenance and Rehabilitation Account-funded project lists into their adopted 2017-18 budgets, or, if necessary, plan for a budget amendment this fall. Based on the current draft guidelines, CTC anticipates that the due date for these initial project lists will be September 15, 2017.

Air Resources Board Activities

In June staff briefed the Government Relations and Public Affairs Committee on its recommendation to the Air Resources Board (ARB) on SACOG’s SB 375 target of 18 percent. ARB staff have recommended a target of 19 percent. SACOG and other Metropolitan Planning Organizations are submitting comments continuing to argue for 18 percent. Staff will have an update in a separate committee item.

As part of the Volkswagen settlement with ARB requiring investment in zero emissions vehicles, ARB has approved Volkswagen investing \$44 million in the City of Sacramento. CEO James Corless testified in support of this significant investment to assist our region in meeting its sustainability goals and to be a leader in transportation sector innovation.

Housing Package

Prior to summer recess, legislative leaders signaled their intent to pass a comprehensive package of housing legislation when they return on August 21. At least four bills are moving relating to housing, one imposing a new real estate transaction tax (SB 2), one to propose a general obligation bond for affordable housing (SB 3), and two to streamline the approval process for affordable housing (SB 35 and SB 540). There is very little detail available on exactly what is considered part of the housing package and what final form it may take in order to garner support. See more on SB 3 in the related staff item “Consideration of SB 3”.

Taxi Cab Regulation

While the SACOG Board was off on recess in July, the Legislature amended AB 1069 to name 10 counties where taxicab regulation would be taken away from local governments and given to a single agency to regulate. Sacramento County was the only SACOG-region county on the list. AB 1069 would require that, starting in 2019, SACOG regulate taxis in Sacramento County. This is a significant shift in authority and outside of SACOG’s current staff capacity. There are numerous questions left to be answered about the practicality of this or how a six-county Board would administer a single-county program. Staff has communicated an oppose position to the author, sponsors and the Senate Transportation and Housing Committee. Unfortunately, the Senate Transportation and Housing Committee unanimously passed the measure on July 11. Staff is working with the other nine entities listed as responsible for taxi regulation, none of which supports AB 1069. The bill is set for a hearing before the Senate Appropriations Committee on August 21.

Other Legislation

Attached is a list of legislation staff is tracking. Two measures, SB 150 and AB 686, where SACOG has a position to oppose, unless amended, are still pending. Since the Board approved a position on SB 150, the author has made amendments that address staff's concerns, and so staff intends to remove SACOG's opposition. SB 150 now simply requires the Air Resources Board to prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets. AB 686 would extend to SACOG and other agencies who do not receive U.S. Department of Housing and Urban Development (HUD) funding requirements to advance fair housing goals and exposes agencies to unnecessary litigation risk over local decisions it has no control over. AB 686 did not meet the required deadlines for the year, and will not be taken up again until next year. SB 150 is still moving forward this year and is pending before the Assembly Appropriations Committee.

Transit

The Governor signed AB 1113, a bill sponsored by the California Transit Association, which amends the statutes governing the State Transit Assistance (STA) program to clarify several ambiguities in law that led to administrative changes made in 2016 by the State Controller's Office. The 2016 changes implemented new calculation and allocation methodologies for the STA program, suddenly changing the way these funds are distributed to transit operators statewide. AB 1113 restores operation of STA to how it has historically worked for transit agencies.

Attachment

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Bill	Author	Title	Summary
AB 17	Holden (D)	Transit Pass Program: Free or Reduced-Fare Passes	Creates the Transit Pass Pilot Program to provide free or reduced-fare transit passes to specified pupils and students by supporting new, or expanding existing, transit pass programs. Requires the Department of Transportation to develop guidelines that describe the application process and selection criteria for awarding the moneys made available for the program. Requires certain reports.
AB 18	Garcia E (D)	Clean Water, Climate, and Coastal Protection Act	Enacts the California Clean Water, Climate, Coastal Protection and Outdoor Access For All Act, which would authorize the issuance of bonds to finance a clean water, climate, and coastal protection and outdoor access for all program. Provides for the submission of these provisions to the voters at the statewide direct primary election.
AB 33	Quirk (D)	Transportation Electrification	Requires the Public Utilities Corporation to consider authorizing electrical corporations to offer programs and investments that support customers who purchase a used electric vehicle. Requires that the programs and investments be designed to accelerate widespread transportation electrification, achieve ratepayer benefits, reduce dependence on petroleum, meet air quality standards, and reduce emissions of greenhouse gases.
AB 56	Holden (D)	Infrastructure and Economic Development Bank: Housing	Revises the definition of the term public development facilities for purposes of the Infrastructure and Economic Development Bank Act to mean real and personal property and structures, excluding any housing, that are directly related to providing housing-related infrastructure, which includes streets, drainage, water supply, utilities facilities, public transit improvement, sewage collection, and water treatment.
AB 72	Santiago (D)	Housing	Requires the Department of Housing and Community Development to review any action or failure to act by a municipality that is inconsistent with an adopted housing element or specified provision. Authorizes the Department, after allowing for a local agency response, to revoke findings until it determines that the municipality has come into compliance with the housing element. Requires the Department to notify the municipality and the Office of the Attorney General that it is in violation of state law.

Bill	Author	Title	Summary
AB 73	Chiu (D)	Planning and Zoning: Housing Sustainability Districts	Authorizes a city, county, or city and county to establish a housing sustainability district and to apply for approval for a zoning incentive payment. Provides for permits for residential development, design review standards, and certain application fees. Requires that prevailing wages be paid in connection with all projects within the district. Requires a lead agency, when designating districts, to prepare an EIR for the designation.
AB 174	Bigelow (R)	California Transportation Commission: Membership	Requires that at least one voting member of the California Transportation Commission reside in a rural county with a population of less than a certain number of individuals.
AB 179	Cervantes (D)	California Transportation Commission	Requires the Governor, in appointing members of the California Transportation Commission, to use every effort to ensure that the commission has a diverse membership with expertise in transportation issues, taking into consideration factors including, but not limited to, socioeconomic background and professional experience, which may include experience working in, or representing, disadvantaged communities.
AB 352	Santiago (D)	State Housing Law: Efficiency Units	Amends the State Housing Law which authorizes a city or county to permit the construction and occupancy of efficiency units that have a specified minimum area. Prohibits a city, county, or city and county from limiting the number of efficiency units in certain locations near public transit or university campuses.
AB 467	Mullin (D)	Local Transportation Authorities: Transactions and Tax	Exempts, upon the request of an authority, a county elections official from including the entire adopted transportation expenditure plan in the voter information guide, if the authority posts the plan on its Internet Web site, and the sample ballot and the voter information guide sent to voters include information on viewing an electronic version of the plan and obtaining a printed copy at no cost.
AB 494	Bloom (D)	Land Use: Accessory Dwelling Units	Amends the Planning and Zoning Law to provide that an accessory dwelling unit may be rented separately from the primary residence. Requires that parking requirements for accessory dwelling units not exceed a certain number. Removes the prohibition on specified offstreet parking where that parking is not allowed anywhere else in the jurisdiction.

Bill	Author	Title	Summary
AB 515	Frazier (D)	State Highway System Management Plan	Requires the Department of Transportation to prepare a draft State Highway System Management Plan, which would consist of a specified 10-year state highway rehabilitation plan and a specified 5-year maintenance plan. Requires the department to make the draft of its proposed plan available to regional transportation agencies and to transmit the plan to the Governor and Legislature periodically.
AB 636	Irwin (D)	Local Streets and Roads: Expenditure Reports	Amends reporting requirements related to the Highway Users Tax Account. Requires a complete report of expenditures for street and road purposes to be submitted to the Controller within a certain number of months after the close of the fiscal year adopted by a county, city, or city and county. Makes conforming changes. Requires the Controller to adjust related timelines in the uniform construction cost accounting procedure to conform with the submission of certain information.
AB 678	Bocanegra (D)	Housing Accountability Act	Extends the provisions of the Housing Accountability Act to apply to housing development projects for above moderate-income households. Requires the findings of certain local agencies to be based on certain evidence. Makes changes concerning changes to zoning ordinances or general plan land use designations, approval of housing projects or emergency shelters, the infeasibility of projects, certain actions by housing organizations, and related matters.
AB 686	Santiago (D)	Housing Discrimination: Further Fair Housing	Requires a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing. authorize the Director of Fair Employment and Housing to exercise his or her discretion to investigate, or to bring a civil action, based on a verified complaint that alleges a violation of these provisions. Requires an agency that completes an assessment of fair housing to submit it and post it on its Web site.
AB 810	Gallagher (R)	Local Alternative Transportation Improvement Program	Relates to planned state transportation facilities over the Feather River in the City of Yuba City and certain Counties. Authorizes affected local agencies, acting jointly with a transportation planning agency, to develop and file a specified alternative transportation improvement program. Requires all proceeds from the sale of certain excess properties to be allocated to the approved local alternative.

Bill	Author	Title	Summary
AB 829	Chiu (D)	Planning and Zoning: Annual Report	Amends the Planning and Zoning Law. Requires a certain annual report by planning agencies to include the relationship between jobs and housing, including any imbalance between jobs and housing. Require that this portion of the report include an assessment of any significant increases or decreases in employment since the date of the last annual report.
AB 852	Grayson (D)	Planning and Zoning: General Plan: Report	Requires a city or county report regarding a general plan for land use development within its boundaries to include the number of housing development applications received in the prior year, units included in all development applications in the prior year, and units approved and disapproved in the prior year.
AB 863	Cervantes (D)	Affordable Housing and Sustainable Communities Program	Provides that a project receiving funding pursuant to the Affordable Housing and Sustainable Communities Program shall be encouraged to employ local entrepreneurs and workers utilizing appropriate workforce training programs.
AB 879	Grayson (D)	Planning and Zoning: Housing Element	Requires a county housing element analysis to include requests to develop housing at certain densities and the length of time for approval. Requires this analysis to demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing. Requires the Department of Housing and Community Development to complete a study to evaluate the local fees charged to new developments.
AB 915	Ting (D)	Planning and Zoning: Density Bonus: Affordable Housing	Requires the City and County of San Francisco, if it has adopted an ordinance requiring an affordable housing minimum percentage for housing developments, to apply that ordinance to the total number of housing units in the development, including any additional housing units granted pursuant to these provisions, unless the city, county, or city and county exempts those additional housing units from the ordinance. Provides that this provision does not apply to applications submitted before a specified date.

Bill	Author	Title	Summary
AB 1069	Low (D)	Local Government: Taxicab Transportation Services	authorizes specified counties to regulate taxi service within the respective county by means of a countywide transportation agency. Prohibits an authorized county that does not regulate taxi service by means of a countywide transportation agency, and the cities within that county, from regulating taxi service. Requires the sheriff in a county that does not regulate taxi service pursuant to these provisions to administer criminal background checks and drug testing for taxicab drivers within that county.
AB 1082	Burke (D)	Transportation Electrification: Vehicle Charging	Authorizes a large electrical corporation to file with the Public Utilities Commission a pilot program proposal for the installation of vehicle charging stations at school facilities, giving priority to schools located in disadvantaged communities. Authorizes the use of these charging stations by faculty, students, and parents before, during, and after school hours. Includes a reasonable mechanism for cost recovery by the electrical corporation.
AB 1156	Ting (D)	Planning and Zoning: Housing Element	Requires the analysis of a housing element to include documentation on the percentage of residents who pay more than 30% and more than 50% of their income towards the cost of housing.
AB 1218	Obernolte (R)	California Environmental Quality Act: Exemption	Extends exemptions from the requirements of the California Environmental Quality Act for bicycle transportation plans for an urbanized area for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and related signage for bicycles, pedestrians, and vehicles under certain conditions, and for projects consisting of restriping of streets and highways for bicycle lanes in an urbanized area as part of a bicycle transportation plan.
AB 1250	Jones-Sawyer (D)	Counties: Personal Services Contracts	Establishes specific standards for the use of personal services contracts by counties. Requires the county to demonstrate that the proposed contract will result in costs savings to the county and to show that the contract does not cause displacement of county or city workers. Establishes liability provisions for employment law violations and torts committed in the course of providing services under contract. Imposes disclosure requirements on contracts.

Bill	Author	Title	Summary
AB 1397	Low (D)	Local Planning: Housing Element	Requires the inventory of land to be available for residential development in addition to being suitable for residential development and to include vacant sites and sites that have realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level. Requires parcels included in the inventory to have sufficient utilities supply available to support housing development.
AB 1423	Chiu (D)	Housing: Annual Reports: Charter Cities	Requires the planning agency of a city or county to investigate and make recommendations to the legislative body of the city or county regarding means for implementing the general plan or element of the general plan and to provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes the status of the plan and progress in its implementation and in meeting its share of regional housing needs.
AB 1505	Bloom (D)	Land Use: Zoning Regulations	Amends the Planning and Zoning Law to authorize the legislative body of a city or county to adopt ordinances to require, as a condition of development of residential rental units, that a development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower income, very low income, or extremely low income households.
AB 1568	Bloom (D)	Enhanced Infrastructure Financing Districts	Enacts the Neighborhood Infill Finance and Transit Improvements Act, which authorizes a city, county, or city and county to adopt a resolution, at any time before or after the adoption of the infrastructure refinancing plan, to allocate specified tax revenues to the district under specified circumstances. Requires the legislative body of a municipality establishing an enhanced infrastructure financing district that will allocate those revenues.

Bill	Author	Title	Summary
AB 1598	Mullin (D)	Affordable Housing Authorities	Authorizes a city, county, or city and county to adopt a resolution creating an affordable housing authority with power limited to providing low and moderate income housing funded through a low- and moderate-income housing fund. Requires the authority to adopt an affordable housing investment plan. Provides for the financing of the activities of the authority by, among other things, the issuance of bonds serviced by funds received pursuant to those sale tax revenues and property tax increment revenues.
AB 1637	Gloria (D)	Local Housing Authority: Middle-Income Housing Projects	Authorizes a housing authority to develop and finance a middle-income housing project if the project receives gap financing. Prohibits financial or other assistance from any public or private source from being used to provide gap financing to units that will be occupied at market-rate rents.
AB 1683	Burke (D)	Transformative Climate Communities Program: Report	Requires the Strategic Growth Council to submit a specified report on the Transformative Climate Communities Program to the Governor and specified committees of the Legislature.
AB 1714	Housing & Community Development Cmt	Income Taxes: Credits: Low-Income Housing	Modifies the criteria necessary for an existing property to qualify as being at risk of conversion under the low-income housing tax credit program by expanding the eligible government assistance programs to include an additional federal program, and also receiving state loans or grants through programs administered by the Department of Housing and Community Development. Modifies model codes.
SB 2	Atkins (D)	Building Homes and Jobs Act	Enacts the Building Homes and Jobs Act. Imposes a fee to be paid at the time of the recording of every real estate instrument, paper, or notice. Provides for expenditures for affordable owner-occupied workforce housing, housing for purposes related to agricultural workers and their families, affordable housing, and other housing-related programs.
SB 3	Beall (D)	Affordable Housing Bond Act of 2018	Enacts the Affordable Housing Bond Act of 2018 which would authorize the issuance of bonds to be used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs.

Bill	Author	Title	Summary
SB 5	de Leon (D)	California Drought, Water, Parks, Climate	Enacts the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, authorizes the issuance of bonds in an amount of a specified sum pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. Provides for appropriate sum for the purpose of paying costs associated with operating and maintaining certain parks projects funded by the program.
SB 35	Wiener (D)	Planning and Zoning: Affordable Housing: Approval	Amends the Planning and Zoning Law. Requires a planning agency to include in a certain report specified information regarding units of housing that have been issued an entitlement, building permit or certificate of occupancy. Authorizes a development proponent to submit an application for a multifamily housing development that satisfies specified planning objective standards to be subject to a streamlined, ministerial approval process, as provided, and to not be subject to a conditional use permit.
SB 49	de Leon (D)	Environmental and Workers Defense Act of 2017	Relates to the California Environmental, Public Health, and Workers Defense Act of 2017. Relates to clean air, drinking water, discharge of pollutants into the atmosphere and waters and endangered species. Prohibits state or local agencies from amending or revising their rules and regulations implementing these state laws to be less stringent than the baseline federal standards. Prohibits a state agency from amending rules to be less stringent in protection of worker rights and worker safety.
SB 145	Hill (D)	Autonomous Vehicles: Testing on Public Roads	Repeals a requirement that the Department of Motor Vehicles notify the Legislature of receipt of an application seeking approval to operate an autonomous vehicle capable of operating without the presence of a driver inside the vehicle on public roads. Repeals the requirement that the approval of such an application not be effective any sooner that a specified number of days after the date of the application.
SB 150	Allen (D)	Regional Transportation Plans	Requires the Air Resources Board to prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets. Requires the report to include certain information.

Bill	Author	Title	Summary
SB 167	Skinner (D)	Housing Accountability Act	Requires certain findings of a local agency in relation to approval or disapproval of certain housing projects to be based on a preponderance of the evidence. Requires the court to issue an order compelling compliance with the Housing Accountability Act. Provides for changes to zoning ordinances and general plan land use designations, the consideration of economic, environmental, social and technological factors, certain actions, and related matters.
SB 262	Wieckowski (D)	Climate Change: Climate Adaptation: Advisory Council	Amends an existing law which requires the Office of Planning and Research to establish an advisory council. Specifies that members on the advisory council shall serve staggered terms.
SB 277	Bradford (D)	Land Use: Zoning Regulations	Authorizes the legislative body of any city or county to adopt ordinances to require, as a condition of development of residential rental units, that the development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower income, very low income, or extremely low income households. Requires the ordinance to provide alternative means of compliance.
SB 498	Skinner (D)	Vehicle Fleets: Zero-Emission Vehicles	Requires the State Air Resources Board to review all programs affecting the adoption of light-duty and medium-duty zero-emission vehicles in the state and report to the Legislature no later than the specified date, recommendations for increasing the use of those vehicles for vehicle fleet use and on a general-use basis in the state. Requires the Department of General Services to ensure at least 50% of light-duty vehicles purchased for the state fleet each year are zero-emission vehicles.
SB 540	Roth (D)	Workforce Housing Opportunity Zone	Authorizes a local government to establish a Workforce Housing Opportunity Zone by preparing an Environmental Impact Report pursuant to the California Environmental Quality Act and adopting a specific plan required to include text and a diagram or diagrams containing specified information. Requires certain public hearings. Provides for certain loans.

Bill	Author	Title	Summary
SB 563	Lara (D)	Residential Wood Smoke	Establishes the Woodsmoke Reduction Program to be administered by the state board, in coordination with air districts, to promote the voluntary replacement of old wood-burning stoves with cleaner and more efficient alternatives in order to achieve short- and long-term climate benefits and localized public health benefits. Authorizes moneys from the Greenhouse Gas Reduction Fund to be allocated for incentives offered as part of the program.
SB 606	Skinner (D)	Water Conservation	States the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.
SB 702	Stern (D)	State Vehicles: Bicycles	Requires the Department of General Services Office of Fleet and Asset Management to expand the State Employee BikeShare Program to state employees throughout the state to any location that the department determines that it is feasible to do so, a program that offers state employees the ability to reserve and use bicycles during the workday.
SB 732	Stern (D)	General Plan: Agricultural Land	Authorizes a city and county to develop an agricultural land component of the open-space element. Establishes requirements for development of this component. Authorizes the Department of Conservation to award grants to a city or county to implement this component. Requires drafts to be submitted before adopting or amending the open-space element.
SB 802	Skinner (D)	Emerging Vehicle Technology: Advisory Taskforce	Directs the Office of Planning and Research to convene an Emerging Vehicle Advisory Study Group to review policies regarding new types of motor vehicles, including, but not limited to, autonomous vehicles and shared-use vehicles, and provide recommendations to the Legislature.