2019 SAN GABRIEL VALLEY
ECONOMIC FORECAST SUMMIT

CalPolyPomona
College of Business Administration

SAN GABRIEL VALLEY ECONOMIC PARTNERSHIP

It's the End of the (Housing) World as We Know It (And No One Feels Fine)

2017 State Housing Package

- **SB 2 - $75 fee on real estate transaction documents**
  - Excludes home sales
  - Up to three docs ($225) per transaction
  - Projected annual revenues: $200-300 million

- **SB 3 – Affordable Housing Bond Act of 2018**
  - Placed a $4 billion general obligation bond on the November 2018 ballot
  - $1 billion set aside for veterans' home loan program
  - Enables the state to receive additional federal affordable housing funding

2017 State Housing Package

- **SB 35 – Streamlined Housing Approval Process**
  - Requires cities and counties that fail to meet state-mandated housing production goals to approve multi-family, urban development projects that meet certain requirements
    - For example: paying prevailing wage

Prop 10 – Statewide Rent Control

- **Ballot measure that would have expanded the authority of cities to enact rent control**
  - Measure would have repealed the Costa-Hawkins Act which limits the ability of cities and counties to enact rent control across the state
- **Soundly defeated by voters:**
  - **40.6% YES (4,949,543)**
  - **59.4% NO (7,251,443)**
- **LA County Results:**
  - **49.5% YES (1,437,440)**
  - **50.5% NO (1,465,002)**

Governor Newsom and Housing

- **2019 Budget: Carrots**
- **Housing, homelessness top priorities**
- **An extra $1.75 billion for housing**
- **$750m for Local Gov grants**
  - $250m for planning/zoning changes
  - $500m for general purposes
- **$500m to expand Mixed-Income Load Program**
- **Expand housing tax credit by $500m**
  - $300m to low-income housing tax credit
  - $200m to new high-income housing
- **$600m for homelessness programs**

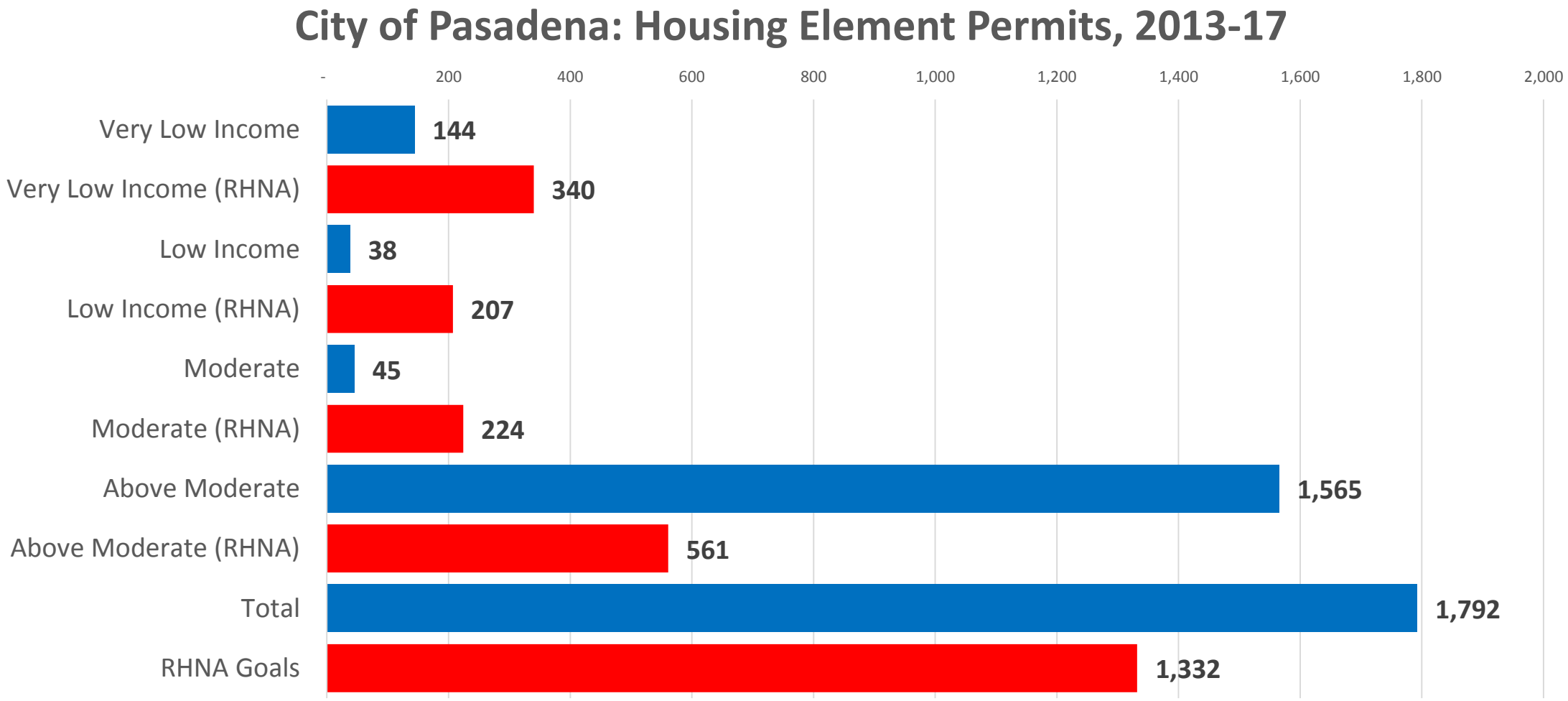
Governor Newsom and Housing

- **2019 Budget: STICKS**
- **Reform of the Regional Housing Needs Assessment (RHNA)**
  - **Failure to meet RHNA Goals?**
    - SB 1 gas tax money taken away
- **Suit against Huntington Beach**

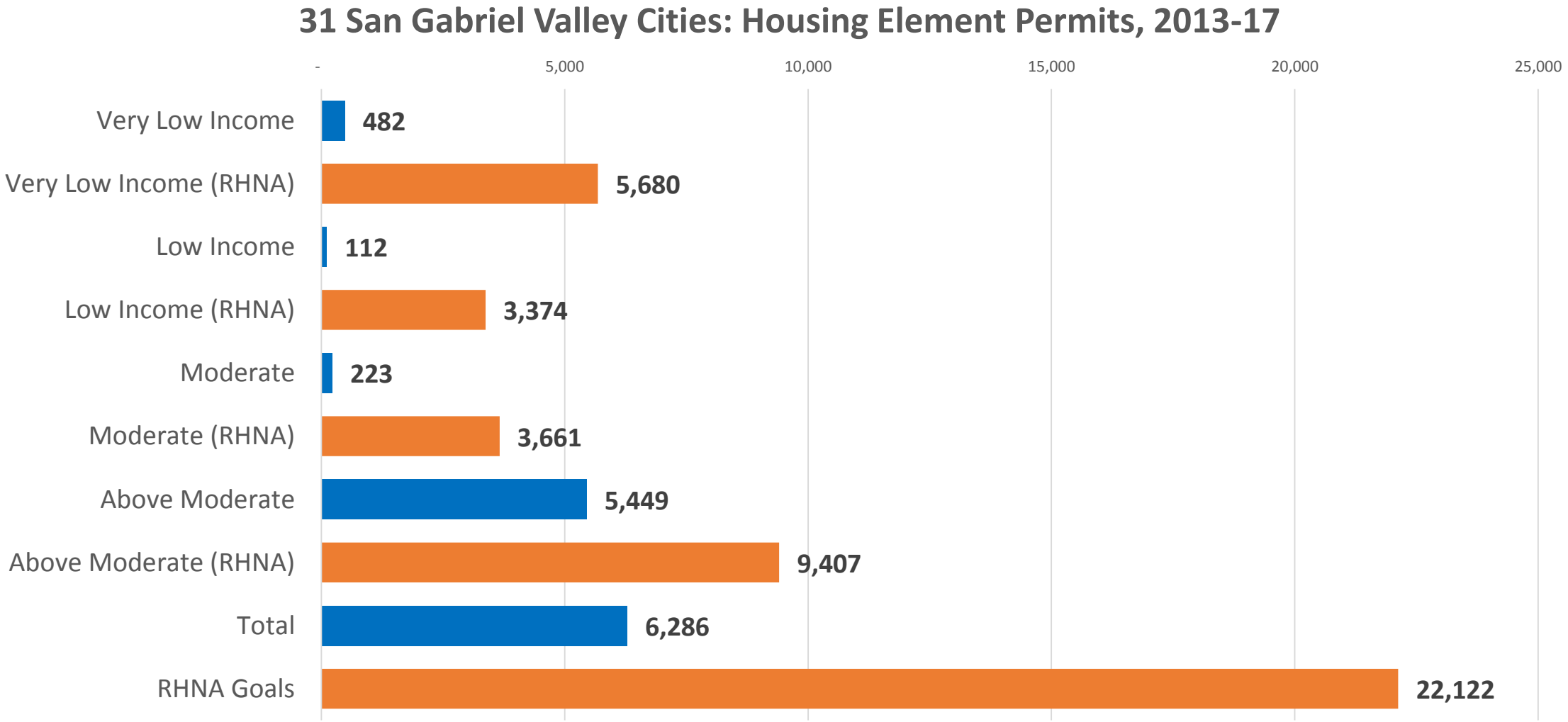
Governor Newsom and Housing

- **“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.”**
  - ***-Statement by Governor’s staff clarifying comments made during the budget presentation***

San Gabriel Valley RHNA Goals



San Gabriel Valley RHNA Goals



Bay Area CASA Compact Policies

- **Committee to House the Bay Area**
- **CASA convened in 2017 by the Metropolitan Transportation Comission and the Assn. of Bay Area Governments**
- **January 2019 – CASA Compact issued a policy package**
  - 10 recommendations
  - 5 calls to action
- **20 bills introduced to implement Bay Area CASA Compact policies**

Bay Area CASA Compact Policies

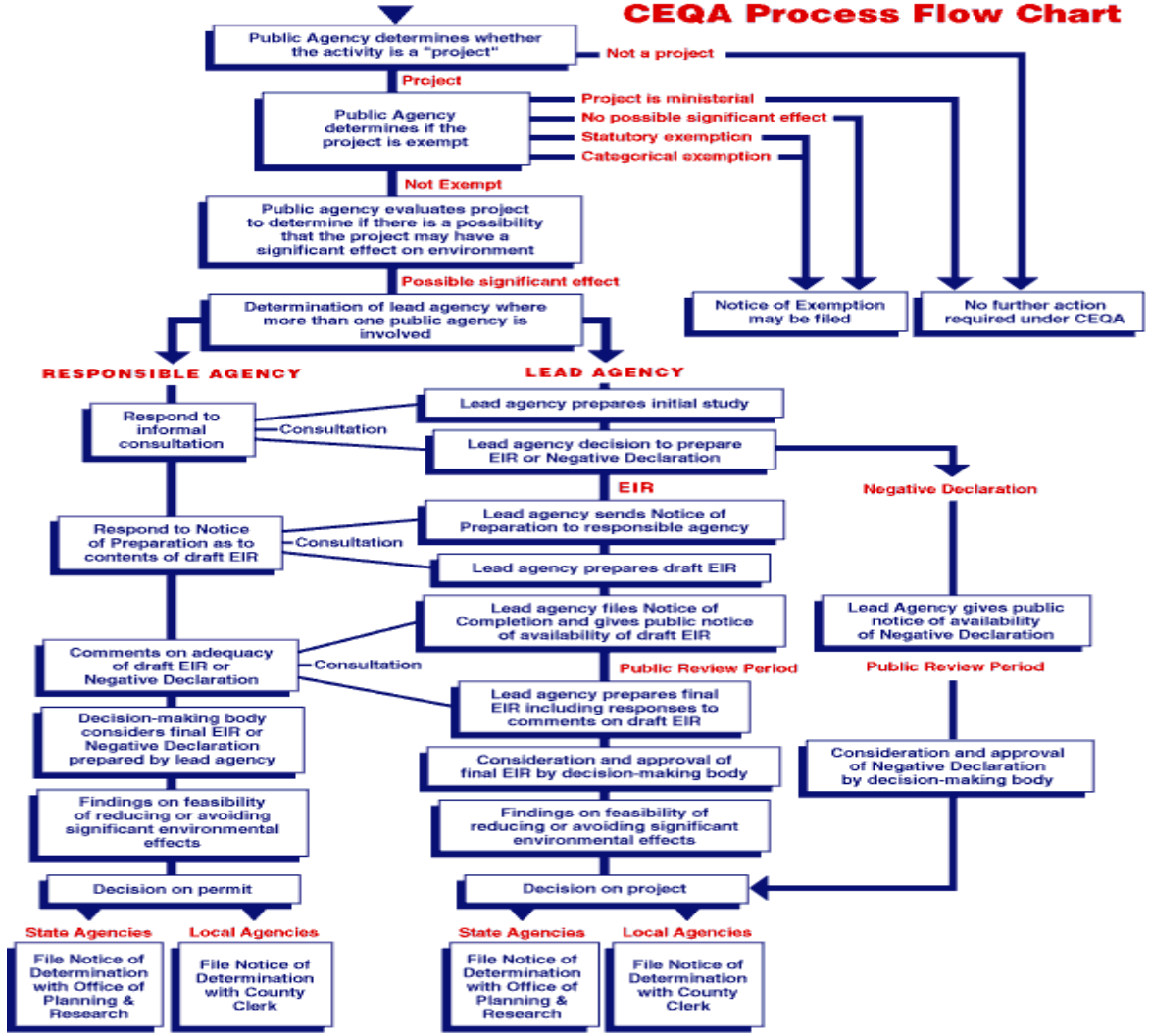
CASA Compact Element #	Related Bills
1. Just Cause Eviction	**AB 1481** — Rob Bonta (D-Oakland) Tenancy.
2. Rent Cap	**AB 36** — Richard Bloom (D-Santa Monica) Affordable housing: rental prices.
3. Legal Counsel [for tenants]	**SB 18** — Nancy Skinner (D-Berkeley) Keep Californians Housed Act.
4. ADUs	**AB 68** — Philip Ting (D-San Francisco) Land use: accessory dwelling units. **SB 13** — Bob Wieckowski (D-Fremont) Accessory dwelling units.
5. Minimum Zoning	**SB 50** — Scott Wiener (D-San Francisco) Planning and zoning: housing development: equitable communities incentive. **SB 4** — Mike McGuire (D-Healdsburg) Housing.

Bay Area CASA Compact Policies

6. Good Government	**AB 1483** — Tim Grayson (D-Concord) Housing development project applications: reporting. **AB 1484** — Tim Grayson (D-Concord) Mitigation Fee Act: housing developments. **SB 330** — Nancy Skinner (D-Berkeley) Housing Crisis Act of 2019.
7. Streamlining	**AB 1485** — Buffy Wicks (D-Oakland) Housing development: streamlining. **SB 6** Jim Beall (D-San Jose)/Mike McGuire (D-Healdsburg) Residential development: available land.
8. Public Lands	**AB 1486** — Philip Ting (D-San Francisco) Local agencies: surplus land.
9. Funding the Regional Housing Enterprise	**AB 1487** — David Chiu (D-San Francisco) Land use: housing element. **SB 5** — Jim Beall (D-San Jose)/Mike McGuire (D-Healdsburg) Local-State Sustainable Investment Incentive Program. **AB 11** — David Chiu (D-San Francisco) Community Redevelopment Law of 2019. **ACA 1** — Cecilia Aguiar-Curry (D-Winters) Local government financing: affordable housing and public infrastructure: voter approval.
10. Regional Housing Enterprise	**AB 1487** — David Chiu (D-San Francisco) Land use: housing element.

CEQA Streamlining

- **SB 25 (Caballero):**
  - Streamlines environmental review in qualified opportunity zones that are funded, in whole or in part, by opportunity funds, or moneys from the Greenhouse Gas Reduction Fund and allocated by the Strategic Growth Council.
- **AB 1197 (Santiago):**
  - Expedites CEQA judicial review for voter-approved and funded supportive housing projects.



THE RENT IS
TOO DAMN
HIGH!