
SENATE COMMITTEE ON HOUSING
Senator Scott Wiener, Chair
2021 - 2022 Regular

Bill No: AB 1584 **Hearing Date:** 7/8/2021
Author: Committee on Housing and Community Development
Version: 6/30/21 Amended
Urgency: No **Fiscal:** Yes
Consultant: Alison Hughes

SUBJECT: Housing omnibus

DIGEST: This bill makes several noncontroversial changes to housing law.

ANALYSIS:

According to the Legislative Analyst's Office, the cost of producing a bill in 2001-2002 was \$17,890. By combining multiple matters into one bill, the Legislature can make minor changes to law in the most cost-effective manner.

Proposals included in this housing omnibus bill must abide by the Senate Housing Committee and Assembly Housing and Community Development policies on omnibus bills. The proposals must be non-controversial and non-policy changes to various committee-related statutes. The proponent of an item submits proposed language and provides background materials to the Committee for the item to be described to legislative staff and stakeholders. Committee staff provides a summary of the items and the proposed statutory changes to all majority and minority consultants in both the Senate and Assembly, as well as all known or presumed interested parties. If an item encounters any opposition and the proponent cannot work out a solution with the opposition, the item is omitted from, or amended out of, the bill. Proposals in the bill must reflect a consensus and be without opposition from legislative members, agencies, and other stakeholders.

This bill makes non-controversial and non-policy changes to sections of law relating to housing. Specifically, this bill includes the following provisions, with the proponent of each provision noted in brackets:

- 1) *Accessory dwelling unit (ADU) clean-up*. Clarifies that the provisions of AB 670 (Friedman, Chapter 178, Statutes 2019), which void CC&Rs that unreasonably restrict or prohibit ADU construction also apply to common interest developments that do not have an undivided interest in a common area. [Office of Assemblymember Friedman] SECTION 1

- 2) *Corrects chaptering errors.* Last year AB 3088 (Chiu, Chapter 37, Statutes 2020) chaptered out provisions in AB 2782 (Stone, Chapter 35, Statutes 2020) amending Civil Code Section 798.56 and provisions in AB 3364 (Committee on Judiciary, Chapter 36, Statutes 2020) amending Code of Civil Procedure Section 1161.2. This bill corrects those errors. [Assembly Housing and Community Development Committee] SECTIONS 2, 3, and 7
- 3) *Technical fix to Homeowner Bill of Rights (HBOR).* AB 3088 (Chiu, Chapter 37, 2020) included provisions from the July 27, 2020 version of SB 1447 (Bradford, 2020), which extended HBOR protections to small landlords. However, SB 1447 (Bradford, 2020) was later amended to include a technical “saving clause” fix that ensures HBOR protections can be accessed if an application is pending prior to the sunset date. A drafting error led to an inclusion of the outdated HBOR language. This bill fixes the error. [Assembly Housing and Community Development Committee] SECTIONS 4 and 5
- 4) *Updating CID governing documents.* AB 3182 (Ting, Chapter 198, Statutes 2020) required common interest developments (CIDs) to allow at least 25% of units to be rented or leased. CID governing documents may need to be amended and such changes typically require a membership vote. The Legislature, however, has authorized certain governing document amendments to be made through a vote by the board of directors if notice is given and the action is taken at board meeting where members can participate. This bill allows such a procedure to be used for CIDs to update their governing documents accordingly. [Office of Assemblymember Ting] SECTION 6
- 5) *AB 725 (Wicks, Chapter 193, Statutes of 2020) Clean-up.* Changes to the housing element law from AB 725 (Wicks, Chapter 193, Statutes of 2020) do not become effective until January 1, 2022. However, due to a technical error in the drafting of Government Code Section 65583.2 (c)(4)(F) (“this paragraph shall not apply to a housing element revision that is originally due on or before January 1, 2021...”), an individual could wait until January 2, 2022 and take action against local jurisdiction, which had a housing element update due in 2021 for non-compliance. This bill corrects the drafting error. [California YIMBY] SECTION 8
- 6) *Clarifying the interaction between the Housing Accountability Act and Density Bonus Law.* The Housing Accountability Act (HAA) provides that a density bonus does not make a development inconsistent with zoning or local standards. HCD clarified HAA guidance, which notes that a density bonus includes any incentives, concessions, or waivers to development standards allowed under Density Bonus Law, irrespective of whether there is an increase in density.

This bill includes provisions to clarify the statute. [California Housing Partnership Corporation] SECTIONS 9 and 17

- 7) *Clarifying affordable rent under AB 2162.* AB 2162 (Chiu, Chapter 753, Statutes 2018) streamlined approvals for certain supportive housing projects. The units are subject to a recorded affordability restriction for 55 years, but the statute currently doesn't define the affordable rent limits, leading to some confusion at the local level. This language clarifies how affordable rents are determined in such projects. [Assembly Housing Committee] SECTION 10
- 8) *Technical corrections to Preservation Notice Law.* AB 1521 (Bloom, Chapter 377, Statutes 2017) revised the Preservation Notice Law, which requires affordable housing owners to give notice and an opportunity to purchase before possible conversion to market rate. This bill includes clean-up and clarification of various provisions, including delaying the recording of the 5-year sale prohibition in the event an owner rejects a purchase offer until the end of the notice period to accommodate the right of first refusal available in the last six months of the notice period. [California Housing Partnership Corporation] SECTION 11
- 9) *Basing the Preservation Notice Law annual report on fiscal years.* This section bases the report data for Preservation Notice Law on fiscal year data, as opposed to calendar year data, and allows HCD to combine the preservation report with its general annual report. [California Housing Partnership Corporation] SECTION 12
- 10) *Correcting Paragraph References.* A clerical error in double-jointing amendments caused both AB 831 (Grayson, Chapter 194, Statutes 2020) and AB 168 (Aguilar-Curry, Chapter 166, Statutes 2020) to include incorrect paragraph references. This bill fixes the error. [Office of Assemblymember Grayson] SECTION 13
- 11) *Density Bonus Clean-up.* A drafting error occurred in AB 2345 (Gonzalez, Chapter 197, Statutes 2020) in the "incentive calculation amendments" provisions of the bill. Specifically, these include Section 65915 (d)(2) subparagraphs (B) and (C), but instead the language accidentally specified subparagraphs (C) and (D). This bill corrects the error. [Office of LA Mayor Garcetti] SECTION 14
- 12) *Clarifying ADU and mobilehome park definitions.* A manufactured home built consistent with HSC 18007 can be considered an ADU if it meets specified requirements. Yet, if two or more manufactured homes are installed as ADU's on "any area or tract of land," by definition, that land becomes a

mobilehome park under HSC 18214. This section clarifies that a two or more manufactured homes installed as ADUs do not constitute a mobilehome park. [California Manufactured Housing Institute] SECTION 15

- 13) *Housing priority and redevelopment displacement.* This provision updates the statute providing eligible individuals displaced by redevelopment agencies with priority for housing. It also moves the code section to one pertaining to successor agencies and updates eligibility to all descendants. [City of San Francisco] SECTION 16

COMMENTS

- 1) *Purpose of the bill.* The purpose of omnibus bills is to include technical and non-controversial changes to various committee-related statutes into one bill. This allows the legislature to make multiple, minor changes to statutes in one bill in a cost-effective manner. If there is no consensus on a particular item, it cannot be included. There is no known opposition to any item in this bill.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Thursday, July 1, 2021.)

SUPPORT:

California Housing Partnership Corporation
San Francisco Board of Supervisors

OPPOSITION:

None received

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