

# California's changing approach to housing policy

By **CJ Higley and Katy Tang**

Hardly a day goes by without news headlines reminding us that California is in the midst of a severe housing crisis. As with any crisis situation, questions abound. How did we get here? How do we solve this problem? Does a solution even exist? If nothing else, it is clear we simply cannot continue to do what we have always done. Business as usual has not been up to the task. This moment requires an “all of the above” response that includes not only specific, targeted changes in the law, but also cultural changes in the way we think about how decisions over land use should be made.

In this context of urgency, the start to the 2019-2020 state legislative session saw the introduction of an unprecedented volume and variety of housing bills — around 200 in all. Out of this burst of legislative activity, one clear trend has emerged: the State Legislature is showing unmistakable signs of re-negotiating its traditional deference to local communities' control over land use decision-making.

California has long been a “home rule” state in which local jurisdictions control most decisions about land use within their borders. This local deference stems from the idea that, because the needs and preferences of each city and county across our diverse state are unique, land use policy should be implemented locally by those in the best position to understand and address the many, fine-grained nuances. A statewide land use regulatory scheme would be too blunt an instrument, or so the thinking goes.

Conventional wisdom about local control notwithstanding, the acute need to increase housing production in California appears finally to have pushed many of our state elected officials to view housing as an area of statewide concern. Ten, or even five years ago, it would have been almost unimaginable for so many bills that seek to reduce or remove local governments' role in housing decisions to have advanced so far into the legislative process.

These bills include Senate Bill 330 (Rep. Skinner), which, for the next five years, would require local governments to reduce the amount of time required to process project applications for housing; Assembly Bill 68 (Ting), which seeks to remove the ability for local governments to impose additional requirements for Accessory Dwelling Units (ADUs); SB 13 (Wieckowski), which would provide statewide authorization for locations where ADUs can be constructed; and SB 592 (Wiener), which would clarify that ADUs fall within the Housing Accountability Act requirements. Even SB 50 (Wiener), which would significantly limit local zoning control (e.g., height, multi-unit density) over a large portion of the state, advanced further than many anticipated and will see renewed efforts in January 2020.

The current statewide debate over rent control is further evidence of a cultural shift away from local control. Policy conversations about new development are frequently met with well-founded fears about tenant evictions and displacement. Currently, only 15 cities (out of 482 in California) have rent control ordinances in place. This means that the vast majority of tenants in the state have no protection from rent increases or evictions.

For the first time in years, the Legislature has taken up consideration of a significant statewide rent control bill. AB 1482 (Chiu) would prohibit no-cause evictions and impose a statewide cap on rent increases until Jan. 1, 2023. Although concerns and resulting amendments around this bill have been numerous, it is remarkable that a statewide rent control proposal with support from diverse constituencies is still alive at this stage of the legislative session.

Increased attention on regional housing solutions is another sign that local control over land use may be waning. Over the past couple of years, a coalition that includes affordable and market rate developers, tenants organizations, and labor prepared a Bay Area-wide plan to spur housing production, protect existing housing, and prevent displacement. This effort, known as the CASA Compact, has helped to

bring new stakeholders to the table and has served as an incubator for a comprehensive package of housing legislation, including a number of the bills described above. Some of the bills that grew out of the CASA effort have moved forward, while others have not.

Regardless, the CASA Compact should not be dismissed as a failure. The CASA effort has helped steer many local leaders away from thinking that their city does not have to be part of the conversation. It has also served as an acknowledgment that the balkanization of land use decision-making along local political boundaries has failed to meet the needs of many Californians.

The kind of fundamental change required by the current crisis will surely take many years to unfold. Innovation in building technologies, sustained investment in subsidized housing across a range of income levels, and an unprecedented dose of political will must all be a part of the recipe. For now, it is worthwhile to acknowledge the paradigm shift afoot in the relationship between state and local government.

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