



Overview of the CASA Compact



January 2019

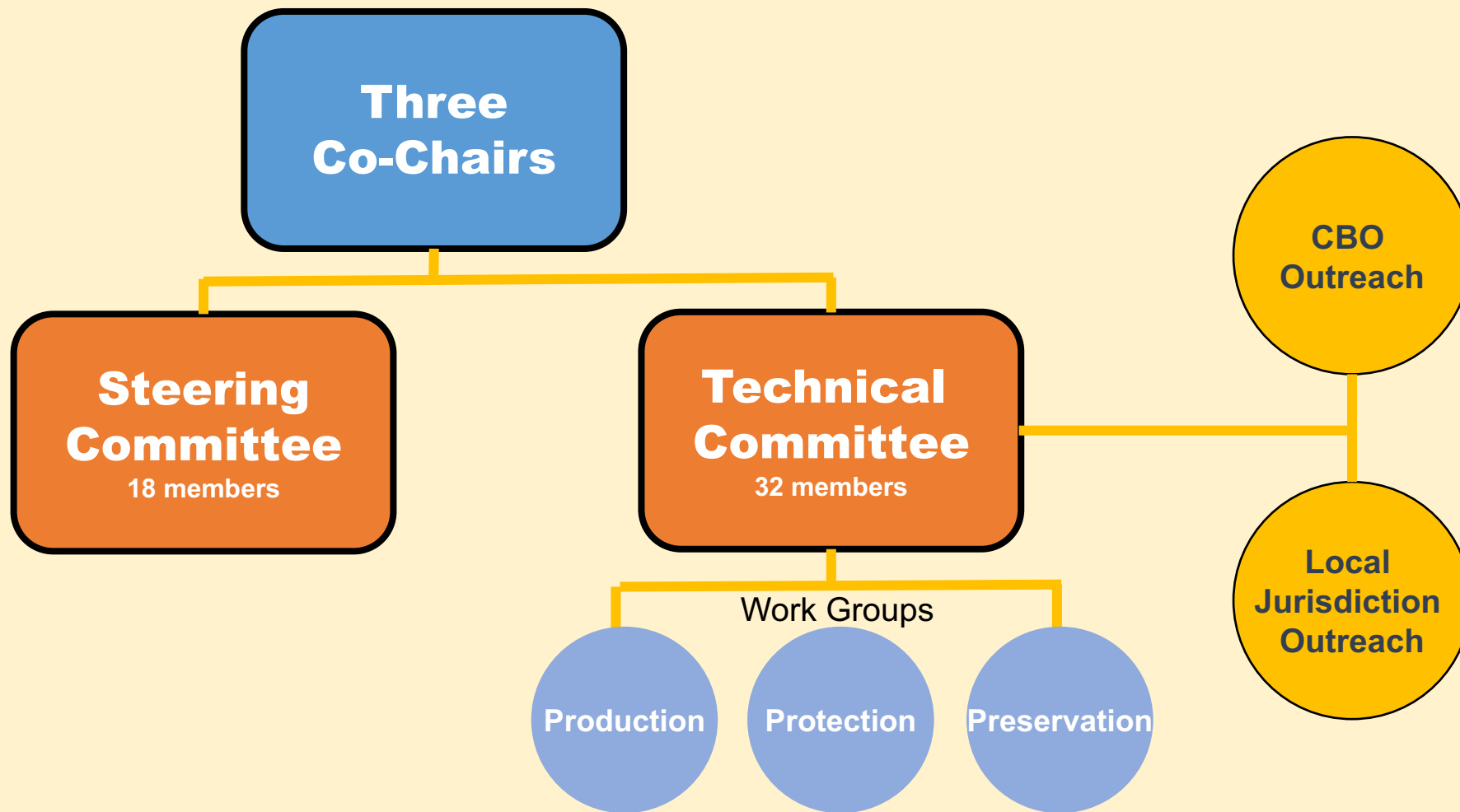
CASA PREAMBLE – 3 P'S

The Bay Area faces a housing crisis because we have failed at three tasks:

- Failed to **produce** enough housing for residents of all income levels
- Failed to **preserve** existing affordable housing
- Failed to **protect** current residents from displacement



CASA COMMITTEE STRUCTURE



CASA COMPACT

An Emergency Policy Package
to Confront the Housing Crisis
in the San Francisco Bay Area

December 2018



Components of Compact: 15-year housing emergency bills 9-County Bay Area

- Elements 1, 2 & 3: Protection
- Element 4: Remove Barriers to ADUs
- Elements 5, 6 & 7: Production Initiatives
- Element 8: Surplus Public Land
- Element 9: Potential Funding Sources
- Element 10: Regional Housing Enterprise

ELEMENT #1: JUST CAUSE EVICTION POLICY

- Ensure Bay Area tenants are protected from arbitrary evictions by adopting region-wide requirement landlords cite specific "just causes" (fault and no-fault) for evictions, e.g. failure to pay rent, violating lease.

*Reference: State-wide New Jersey
"Anti-Eviction Act" since 2008*



ELEMENT #2: RENT CAP

- Establish Bay Area-wide emergency rent cap that limits annual rent increases to reasonable amount in order to decrease number of households at risk of displacement and to prevent homelessness.
- Covers existing buildings AND new construction
- Local rent control programs supercede State standards
- For emergency period (15 years), CPI+5% in any one year with certain exemptions and banking provision.



ELEMENT #3: RENT ASSISTANCE AND ACCESS TO LEGAL COUNSEL

- For low-income tenants facing eviction: access to free legal counsel and emergency rent assistance for tenants with an urgent, temporary financial gap.
- Regional Housing Enterprise (Element #10) would establish policy guidelines and provide funding for programs.



ELEMENT #4: REMOVE REGULATORY BARRIERS TO ACCESSORY DWELLING UNITS (ADUs)

- Extend current Bay Area best practices on Accessory Dwelling Units (ADUs) and Junior ADUs to all jurisdictions in the region.
- Allow an ADU and a Junior ADU on single family lots and multiple ADUs in existing multi-family buildings with ministerial approval—enable modular market
- Require impact fees for ADUs and tiny homes be charged on a per-square foot basis and only on net new living area above 500 sq. ft.



ELEMENT #5: MINIMUM ZONING NEAR TRANSIT

- Establish minimum zoning for housing in neighborhoods with:
 - High quality bus service* – within 1/2 mile of stop, “missing middle” zoning-to 36 ft.
 - Major transit stop* (rail and ferry stations) – within 1/4 mile, allow up to 55 ft.
- Make housing an eligible use on large, **commercially-zoned parcels near job centers and in areas served by high quality transit.**
- For “sensitive communities” in or adjacent to a **major transit stop**, defer height increases above 36 ft. until jurisdiction develops community plan.



TRANSIT ACCESS AREAS

- Upzoning in Sensitive Community Areas (outlined in red) within 1/4-mile of Major Transit Stop (rail/ferry) is limited to 36' for five years.
- High quality bus service areas are shown in orange and limited to East Bay, San Jose and S.F.

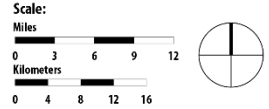


Transit Access Areas

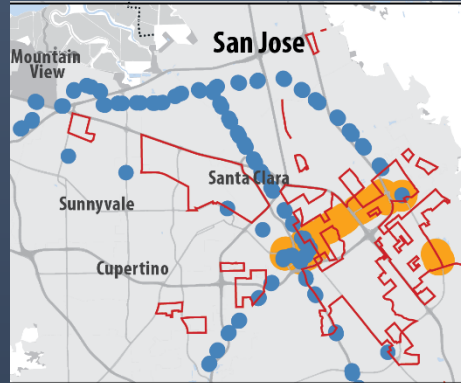
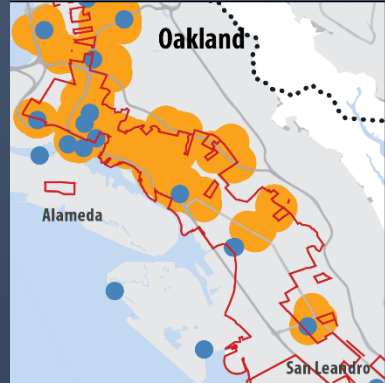
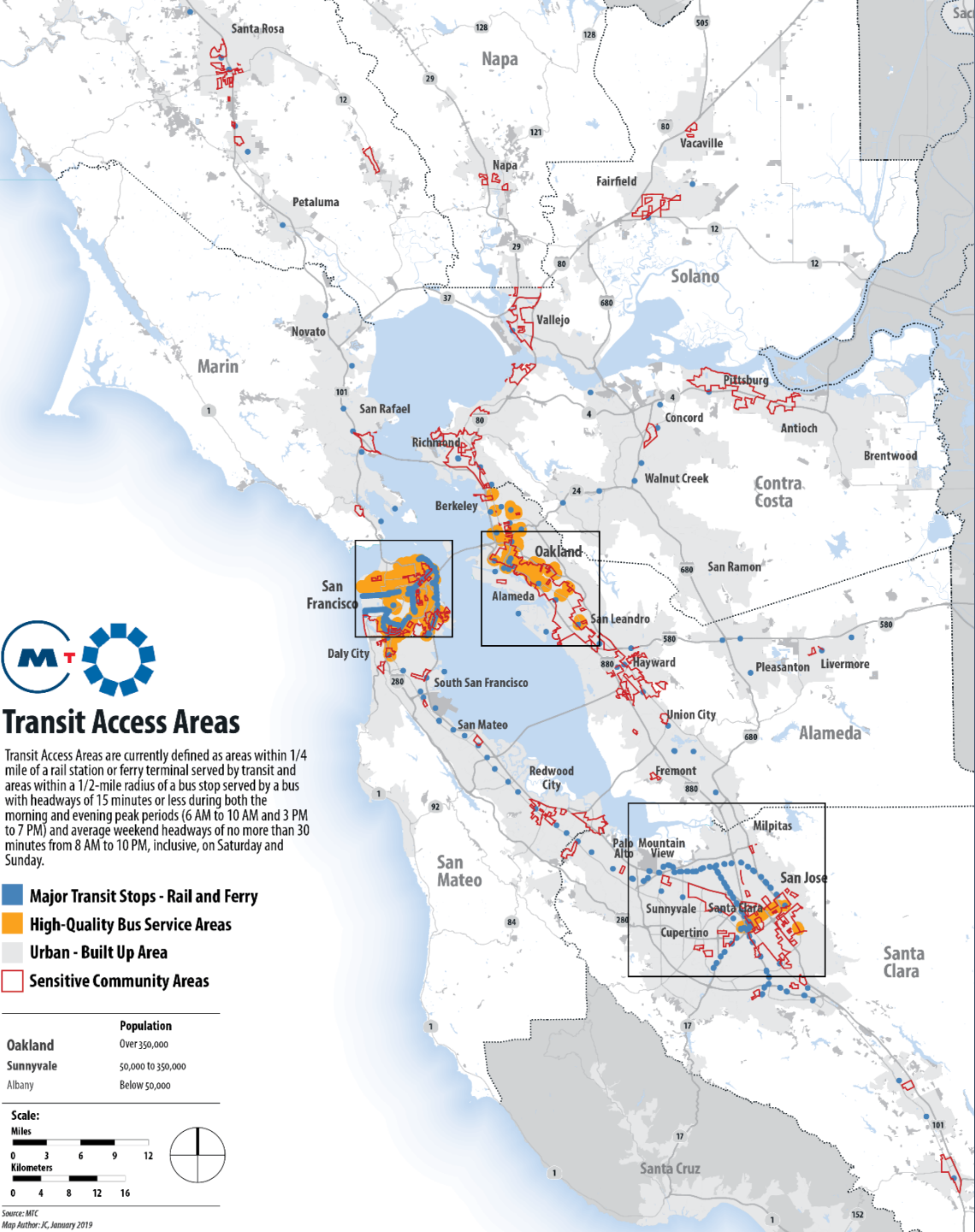
Transit Access Areas are currently defined as areas within 1/4 mile of a rail station or ferry terminal served by transit and areas within a 1/2-mile radius of a bus stop served by a bus with headways of 15 minutes or less during both the morning and evening peak periods (6 AM to 10 AM and 3 PM to 7 PM) and average weekend headways of no more than 30 minutes from 8 AM to 10 PM, inclusive, on Saturday and Sunday.

- Major Transit Stops - Rail and Ferry
- High-Quality Bus Service Areas
- Urban - Built Up Area
- Sensitive Community Areas

| | Population |
|-----------|-------------------|
| Oakland | Over 350,000 |
| Sunnyvale | 50,000 to 350,000 |
| Albany | Below 50,000 |



Source: MTC
Map Author: JC, January 2019



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

ELEMENT #6: GOOD GOVERNMENT REFORMS TO HOUSING APPROVAL PROCESS

- Establish ‘good government’ standards for entitlement and permitting of zoning-compliant residential projects, including but not limited to:
 - Local agencies must transparently publish all rules, codes, fees, impositions, and standards for residential applications.
 - Rules, fees and historic designation locked at an application’s completeness determination.
 - Limit of 3 de novo public hearings & 12 months for approvals
 - No “double burden” (cannot add IZ, density bonus, impact fees)
 - Transparent impact fee methodology and reporting



ELEMENT #7: EXPEDITED APPROVALS AND FINANCIAL INCENTIVES FOR “MISSING MIDDLE”

- Accelerate CEQA and discretionary approval of **zoning-compliant projects** that provide **on-site affordability for “missing middle”** (restrict $\geq 20\%$ units to 80-150% AMI), pay **prevailing wage** and use **apprentice labor**.
- Incentives offered to offset higher costs to developer:
 - 15 years of property tax increment abatement, modeled on NYC program, aimed at missing middle incomes
 - Impact fees capped at a reasonable level
 - Density bonus of 35%
 - Parking minimums reduced to 50% of local requirement



ELEMENT #8: UNLOCK PUBLIC LAND FOR HOUSING

- Promote increased utilization of public land for affordable housing through variety of legislative and regulatory changes, as well as the creation of new regional coordination and planning functions.



ELEMENT #9: FUNDING TO FINANCE THE COMPACT

- Raise \$1.5 billion/year in new revenue from a broad range of sources, including property owners, developers, employers, local governments and the taxpayers, to fund implementation of the CASA Compact.



Menu of Funding Sources to Implement the Compact

Potential New Sources of Revenue

Target: \$1.5 billion per year

Property Owners

\$100 million
1 percent
 Vacant Homes Tax
 on the assessed value
 of vacant home

\$100 million
\$48 per year
 Regionwide Parcel Tax

Philanthropy

Chan-Zuckerberg-
 SF Foundation Initiative
 Policy and
 Infrastructure Funds

Developers

\$200 million
 Variable Commercial
 Linkage Fee
(\$5-\$20 per sq. ft.)
 on new construction
 with rate varied
 depending on location
 to incentivize infill
 development

\$200 million
 Flat Commercial
 Linkage Fee
(\$10 per sq. ft)
 on new construction

Employers

\$200 million
0.1%-0.75%
 Gross Receipts Tax
 variable rates based on
 sector and firm size

\$200 million
\$40-120 per job
 Head Tax
 variable rates based on
 number of employees,
 jobs-housing ratio and
 transit access

Local Governments

\$200 million
25 percent
 Redevelopment
 Revenue Set-Aside
 for affordable housing
 in TPAs (including
 portion for schools and
 special districts)

\$100 million
20 percent
 Revenue Sharing
 Contribution
 from future property tax
 growth

Taxpayers

\$400 million
1/4-cent
 Regionwide Sales Tax

\$100 million
5-Yr. Term
 General Obligation
 Bonds
 issued by a regional
 housing enterprise,
 renewed every five
 years



ELEMENT #10: REGIONAL HOUSING ENTERPRISE

- Establish a regional leadership entity to fund affordable housing and all elements of the CASA Compact, track and report progress, and provide incentives and technical assistance to local government.
- It would not have direct land use/zoning authority, eminent domain powers, or play a regulatory enforcement role.



CALLS TO ACTION

Redevelopment 2.0

Lower voter threshold for funding ballot measures

Fiscalization of Land Use and Tax Reform

Homelessness

Grow and Stabilize the Construction Labor Force



CASA Work Windows

