

SB 827 (WIENER): PLANNING AND ZONING: TRANSIT-RICH HOUSING BONUS

POSITION: The Chamber's Infrastructure, Housing & Land Use Committee voted to SUPPORT IN CONCEPT on January 16, 2018. The Chamber's Public Policy Committee voted to SUPPORT IN CONCEPT on February 13, 2018.

STATUS: The bill was introduced on January 3, 2018 by Senator Scott Wiener. It has been double referred to the senate Transportation & Housing Committee, and the Committee on Governance and Finance.

SUMMARY

SB 827 establishes the transit-rich housing bonus, or incentive, for building housing near high-quality transit (as defined by being within ¼ or ½ of a mile from a transit corridor or major transit stop). The bill would override local zoning regulations within these areas and instead place height maximums of 45, 55, and 85 feet depending on the width of the street being built on. Further, buildings that receive this bonus will be exempt from maximum controls on residential density or floor area ratio, minimum parking requirements, and other design restrictions that hamper a developer's ability to construct the maximum number of units consistent with building codes. The goal of the legislation is to encourage denser, taller zoning near public transportation to alleviate the state's housing crisis and continue the state goal of prioritizing transit-oriented development.

INDUSTRIES IMPACTED

This would primarily effect those industries affiliated with development and construction as it would loosen a number of regulatory restrictions currently placed on building near transit. It would additionally reach into local government operations by shifting existing discretionary zoning authority from local government to the state, where the state will significantly streamline building within close proximity to specified transit.

SUPPORTERS

California YIMBY (sponsor)
Abundant Housing Los Angeles
California Apartment Association
California Association of Realtors
East Bay for Everyone
Council of Infill Builders
House Sacramento
YIMBY Action

OPPONENTS

Mayor Jesse Arreguin (Berkeley)
Crenshaw Subway Coalition

ARGUMENTS IN FAVOR

The housing prices that have become unsustainable and price out our workforce are the direct result of supply and demand: the only way to make housing more affordable and reduce displacement is to build a lot more housing. SB 827 will do that by loosening the restrictions currently placed on developers who build that needed housing.

ARGUMENTS IN OPPOSITION

SB 827 puts more power in the hands of the state, and empowers Yes-In-My-Backyard (YIMBY) groups to override existing local control systems. It could significantly change the make-up of neighborhoods and have an undue influence in single family neighborhoods that are opposed to such overwhelming change.

MORE INFORMATION

SB 827 was inspired by a 2016 McKinsey report that documented the extreme housing shortage in the state. In the report, a solution to maximize density around transit was identified as a way to build up to 3 million new units in the state. The author has said that this bill would allow for increased utilization of transit, while easing the state's housing shortage. Together, this would result in a decreased reliance on automobiles and improve GHG emissions, as identified as a state goal every year.

The bill seeks to improve use of transit by increasing the population living within very close proximity to it. As written, the bill will be a major focus of local governments who grappled with state legislation in 2017 that sought to streamline the regulations that make it difficult to build homes, and thereby possibly minimize their authority to govern. Introducing the transit-rich qualification as the way to trigger this exemption from zoning and other rules could possibly force transit authorities into a difficult position with neighborhoods as they seek to expand or build new stops or routes.

It should be considered that this bill would also apply to existing single-family zones that are located within the transit-rich overlay, and that these neighborhoods have traditionally been exempted or at least less impacted by such transit priority area density opportunities. Undoubtedly, this will be a hot button politically, but does provide an opportunity for local government to seriously consider how to balance the needs of traditional single-family neighborhoods with other goals such as improved climate consideration, increased transit utilization and less reliance on vehicles.

Finally, in its current version there is confusion about whether the bill eliminates or otherwise impacts existing inclusionary rules in local jurisdictions. The author has state that while the bill eliminates some zoning laws, it does not change any inclusionary requirements enacted by local governments.