Post AB-26 Landscape
Preserving Housing
Opportunities for All

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Perceived Benefits to Local Government

- Clears “blight” and removes slums
- Stimulates economic growth & jobs
- Increases property taxes & keeps money “local”
- Promotes commercial interest & increased sales tax
- Expands local powers
The Downside for Lower Income Community

- Denote “blight” where it does not exist
- Forces displacement - immediate & secondary
- Gentrification & fair housing implications
- Focus on non-affordable housing development
- Can provide jobs for non-community members
- Diverts property taxes from other needed services
- Lack citizen participation
Affordable housing

- Money for new “permanent” affordable housing
- Production/inclusionary obligations
- Replacement of Lower Income Units
- Relocation assistance obligations
- Some required community participation
- Some required advance planning
Replacement Housing (33413(a))

- Existing low/mod units removed as part of project
  - Subject to agreement w/Agency; or
  - Project receives Agency assistance
- Replacement Housing Plan (pre-destruction)
- 1:1 replacement w/in 4 years of removal
Long-Term Affordability

- Recorded Affordability Covenants
  - Longest feasible time
  - Rental Housing – 55 years
  - Homeownership Units – 45 years
  - Exceptions

- “Affordable to . . . and occupied by”

- Monitoring Requirement (33418)
Relocation Requirements (33411-33418)

- **Relocation Plans required**
  - Redevelopment Plan - Method for relocating temporary or permanently displaced persons (33352)
  - Pre-Displacement detailed Relo Plan - following initiation of negotiations (GC 7260, 25 CCR 6000 et seq.)

- **Must ensure comparable units (33411.1)**
  - Available for immediate occupancy
  - Affordable
  - Decent, safe and sanitary
Existing Replacement Reqmts

Redevelopment – required some replacement on 1 for 1 basis, but didn’t apply citywide
Mello Act – 1 for 1 replacement applies in Coastal Areas
Local No Net Loss – local plans/settlements (e.g. Wiggins)
Rent Stabilized Housing – good faith eviction protections; replacement if unlawfully Ellis.
Preservation and Transit Expansion

- RSO Strengthening, Monitoring and Enforcement
- Regulating conversions/demolitions
- Anti-displacement policies
- No Destruction Zones
- Community Plan Oversight Ctes
- Transfer/Sale of Density Programs

These preservation tools are intended to work in tandem with production tools. Goal should still be “net gain”
RSO Strengthening, Monitoring & Enforcement

- Monitoring
- Education
- Enhanced enforcement
- Maintenance and rehabilitation programs
- Limit CPI/utility increases
Regulating Future Land Uses

- Condo Conversions
- Demolitions
Density Exchange

- **Transfer of Development Rights (TDR)**
  - Existing owners of affordable housing can sell their unused development rights to market rate developers
  - Unused rights can also be purchased by a city-operated TDR bank

- **Sale of Density**
  - Market rate developers buy additional density, with funds supporting affordable housing
  - Affordable housing developers sell unused FAR to allow preservation
Preservation of Subsidized Housing

- Allow the sale of unused FAR
- Tenant Purchase programs
- Tenant outreach and education
- Monitoring
Net Gain/Production

- Nexus-based development fee
- Jobs-Housing linkage fee
- Redevelopment boomerang dollars
- TOD affordable housing fund
- Incentive zoning
- Joint development
- Development agreements and CBAs
“Displacement can undercut residential stability and social cohesion, which are also tightly linked to resident health outcomes. To combat these effects, *neighborhood improvements should be paired with policies...aimed at preserving the affordability .... and ensuring that low- and moderate-income families can afford a share of newly developed housing in improved neighborhoods.*"