

Date of Hearing: May 11, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 2068 (Ward) – As Amended March 17, 2022

Policy Committee:	Housing and Community Development	Vote:	8 - 0
	Local Government		8 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires a local planning agency to include in its annual progress report (APR) information about the number of new housing units that received a certificate of occupancy in the prior year. Specifically, this bill:

- 1) Requires a local planning agency to include in its APR to the Department of Housing and Community Development (HCD) and the Governor’s Office of Planning and Research (OPR) the number of new housing units that received a certificate of occupancy in the prior year, including:
 - a) The number of units constructed that were approved pursuant to the streamlined, ministerial approval process established by SB 35 (Wiener), Chapter 366, Statutes of 2017.
 - b) The number of accessory dwelling units (ADUs) constructed that were approved pursuant to ADU law.

FISCAL EFFECT:

- 1) Local costs resulting from this bill are not reimbursable by the state because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative expenses associated with new planning mandates.
- 2) Minor and absorbable costs to HCD.

COMMENTS:

- 1) **Purpose.** According to the author:

APRs provide essential information about housing production trends in California, including number of permits applied for and approved. However, this information does not include how many units are completed – the only outcome that truly matters. This bill corrects that oversight. That way, as policymakers work to address the state’s housing crisis, we can understand how many units have actually been built.

- 2) **Background.** Existing law requires each city and county’s legislative body to adopt a general plan for land use within its jurisdiction. Each general plan must include a housing element

detailing existing housing conditions within the jurisdiction, the need for new housing and the strategy the jurisdiction will use to address that need. Local governments must adopt a new housing element every eight years, although some rural jurisdictions must do so every five years.

Each year, a local government's planning agency must document the jurisdiction's progress towards meeting its general plan goals, including the implementation of its housing element. This progress is documented in the APR which must be submitted by April 1st of each year to HCD and OPR. APRs must include information about all proposed and approved development projects in the prior year, including the number of housing development applications received, the number of units included in all development applications and the number of units approved and disapproved. The APR is not required to include information about how many units were built.

This bill requires a local agency to include information about the number of certificates of occupancy it granted in the prior year in its APR, including how many of those units were permitted through the streamlined, ministerial processes granted by SB 35 and by ADU law.

3) Related Legislation.

AB 2094 (R. Rivas), of this legislative session, requires a local agency to include in its APR the local agency's progress towards meeting its share of regional housing needs for extremely low-income (ELI) households. AB 2094 is pending in this committee.

AB 2653 (Santiago), of this legislative session, allows HCD to reject the housing element portion of a local agency's APR. AB 2653 is pending in this committee.

4) Prior Legislation. SB 477 (Wiener), of this legislative session, would have made several changes to the data a local agency must submit to HCD in its APR. SB 477 was vetoed by Governor Newsom.

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