

**AB 542 (Allen)**

Napa County Wants to Change the Way Your Jurisdiction Shows That Its Housing Element Accommodates Its Share Of The Regional Housing Need Without Your Input.

Notice of Oppose Unless Amended

Existing Law: Under existing law, a jurisdiction can show that its housing element accommodates its share of the regional housing need for lower income households by either using the Mullin densities or by doing an analysis that includes factors such as market demand, financial feasibility, or information based on development project experience in order to demonstrate how the adopted densities accommodate this need. While it is not easy to meet the analysis requirements, many jurisdictions have done so and have an approved housing element as determined by the Department of Housing and Community Development (HCD).

AB 542 (Allen): This bill would prohibit jurisdictions from being able to provide the analysis that is allowed under current law and instead replaces it with unfamiliar analysis requirements that use substantial evidence and other more strict criteria that will be difficult, if not impossible to prove. For example, AB 542 requires the analysis to demonstrate that the financial feasibility of newly constructing unsubsidized, market-rate housing is affordable to low-income and very low income households at the adopted densities. How can a project be *unsubsidized, market-rate AND affordable*?

AB 542 is applicable to ALL jurisdictions: Napa County is the sponsor of AB 542 and has been unable to convince HCD that their adopted densities accommodate their share of the regional housing need for lower income households. This bill is an attempt to seek an alternative method whereby they might convince HCD that their densities are adequate. However, in doing so, the Senate Transportation and Housing Consultant has indicated that Napa County can either use the alternative analysis authorized under existing law or the new language crafted by the consultant, but not both. If Napa County moves forward with AB 542, then every jurisdiction loses the ability to use the alternative analysis that is available under existing law. The language drafted for AB 542 was done without the League of California Cities' participation or any other city's participation for that matter. Not until the bill was amended did we know that the option available under existing law was being removed and that all cities would be limited to the option negotiated for the benefit of one county that has not had an approved housing element since 2004. The League does not think it is appropriate to subject all jurisdictions to criteria negotiated by one group. The housing element is a very contentious issue for most jurisdictions. It is not something that should be negotiated without the input from all stakeholders that would be impacted by those changes.