



Overview of the CASA Compact

CASA

February 2019

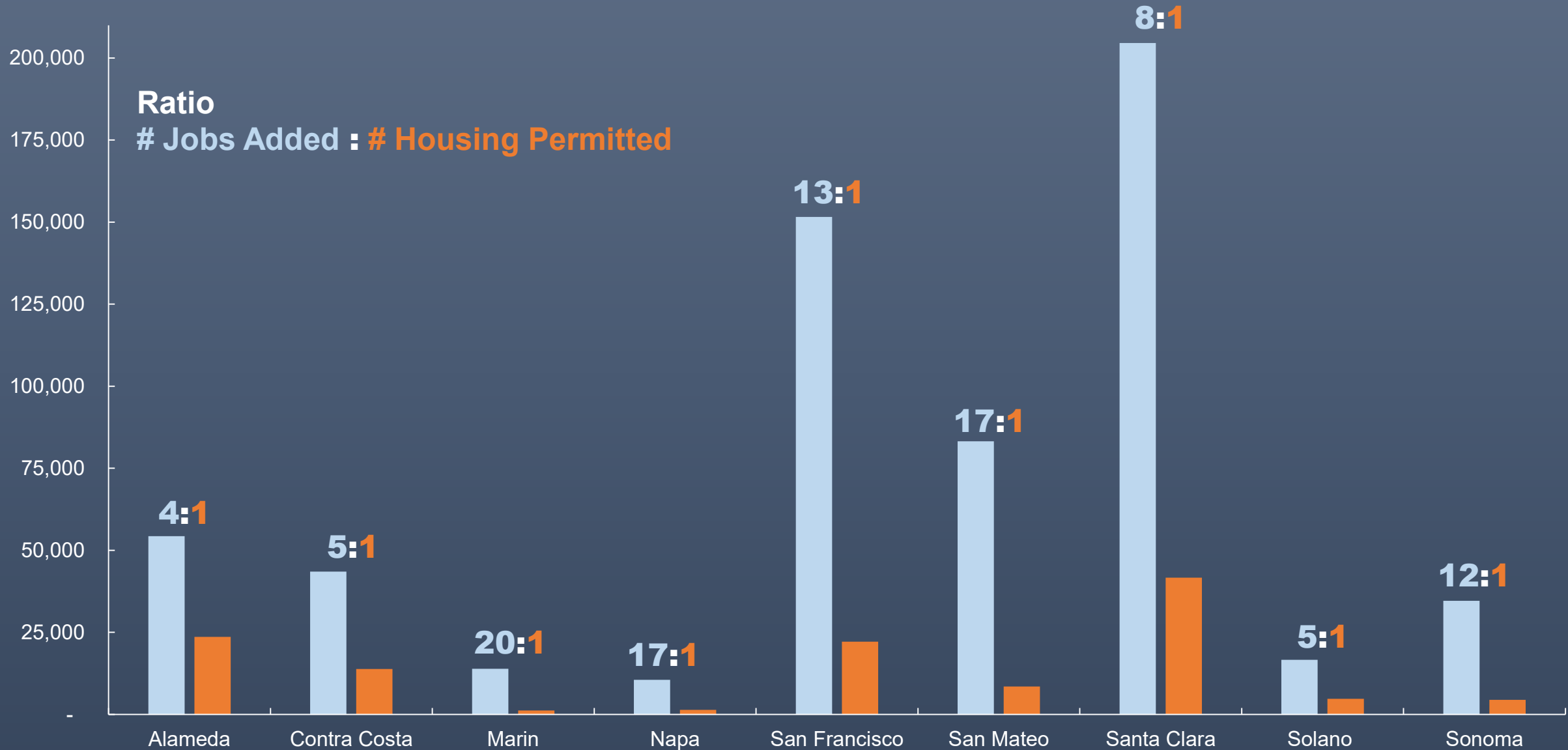
WHAT IS CASA?



COMMITTEE TO HOUSE
THE BAY AREA

CASA is a panel of Bay Area leaders across various sectors convened by MTC and ABAG in 2017 to address the region's housing affordability crisis by identifying and unifying behind bold, game-changing ideas.

Job Growth Far Surpassed New Housing Between 2010 to 2016



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 displacements



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

December 2018



Components of Compact

- Elements 1, 2 & 3: Tenant 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.
- San Francisco, Oakland and San Jose have already adopted



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.
- 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.



ELEMENT #5: MINIMUM ZONING NEAR TRANSIT

- Establish minimum zoning for housing in neighborhoods with:
 - High quality bus service* – within 1/2 mile of stop, allow up to 36 ft.
 - Major transit stop* (rail and ferry served by bus) – within 1/4 mile, allow up to 55 ft.
- Retain local development standards such as setbacks, density limits, maximum unit sizes and lot coverage.
- For “sensitive communities” in or adjacent to a **major transit stop**, defer height increases above 36 ft. until jurisdiction develops context-sensitive plan.



TRANSIT ACCESS AREAS

- Rail and ferry stations are shown in **blue** dots
- High quality bus service areas are shown in **orange** and limited to East Bay, San Jose and S.F.

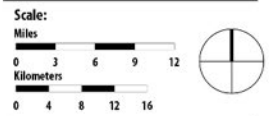


Transit Access Areas

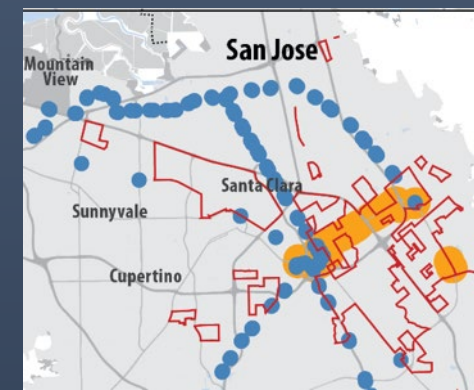
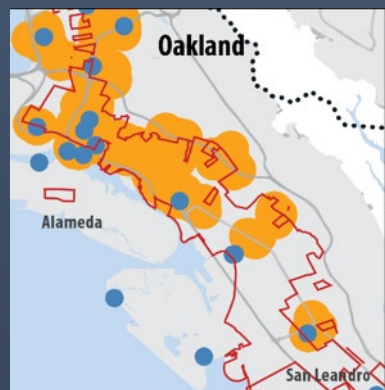
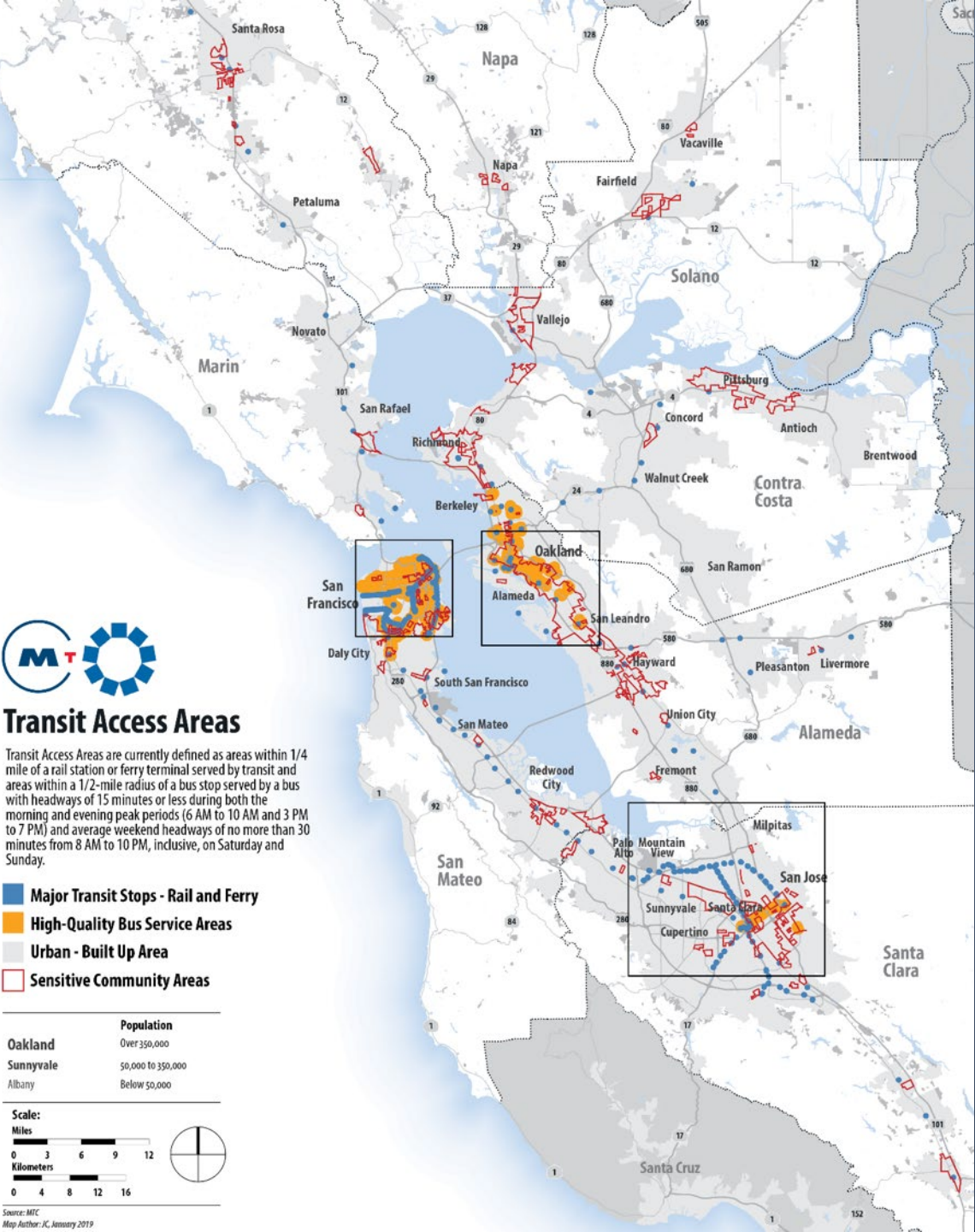
Transit Access Areas are currently defined as areas within 1/4 mile of a rail station or ferry terminal served by transit and areas within a 1/2-mile radius of a bus stop served by a bus with headways of 15 minutes or less during both the morning and evening peak periods (6 AM to 10 AM and 3 PM to 7 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



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:
 - Require local jurisdictions to create and maintain in publicly accessible format all rules, codes and standards that apply to residential applications, including how an application is deemed complete.
 - Rules, fees and historic designation are set at the date of a an application's completeness.
 - For zoning-compliant residential projects, no more than three public hearings required prior to approval.



ELEMENT #7: EXPEDITED APPROVALS AND FINANCIAL INCENTIVES FOR SELECT HOUSING

- Ensure timely approval of zoning-compliant projects and provide financial incentives for creation of on-site affordability and use of prevailing wages:
 - 15 years of property tax increment abatement, modeled on NYC program, aimed at missing middle housing
 - Cap impact fees at a reasonable level that allows project feasibility targeted to regional median income
 - 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.

Publicly-Owned Land

Landowner	Number of Parcels	Total Acres
Bay Area Rapid Transit (BART) District	91	229
Santa Clara Valley Transportation Authority (VTA)	26	178
State of California	17	42
City/County of San Francisco	18	26
San Mateo County Transit District (SamTrans)	11	18
Union City Community Redevelopment	6	15
County of Santa Clara	7	15
City of Oakland	19	10
City of San Jose	5	8
Suisun City	17	8
Total	217	548

Source: MTC



ELEMENT #9: FUNDING TO FINANCE THE COMPACT

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

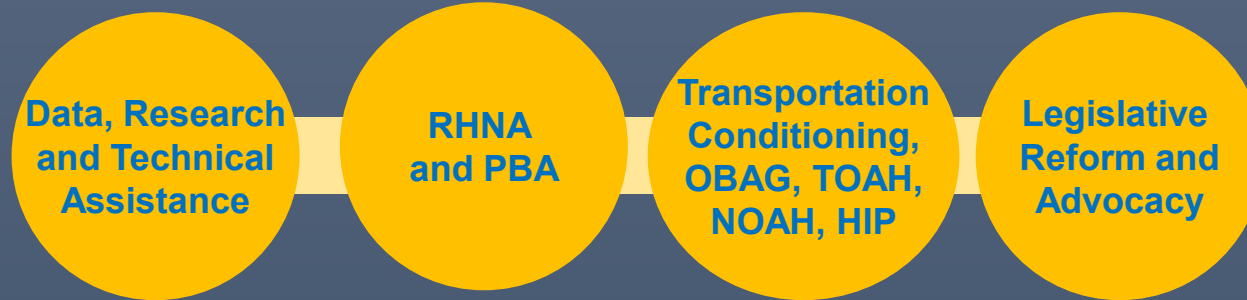


ELEMENT #10: REGIONAL HOUSING ENTERPRISE

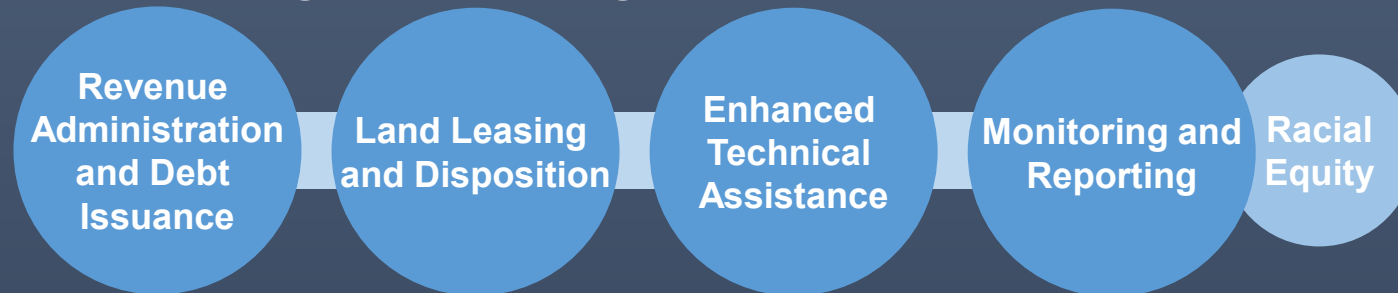
- Establish a regional leadership entity to fund affordable housing and all elements of the CASA Compact, track and report progress, and provide incentives and technical assistance to local government.
- It would not have direct land use/zoning authority or play a regulatory/enforcement role.



MTC/ABAG Current Roles and Responsibilities



Regional Housing Enterprise Roles



Regional Housing Enterprise Governance



CALLS TO ACTION

- Redevelopment 2.0
- Lower Vote Threshold for Housing Funding Measures to 55%
- Address Fiscalization of Land Use (e-commerce and property tax allocation reforms)
- Homelessness
- Grow and Stabilize the Construction Labor Force



CASA Work Windows



2018

2019

2020

2021

2022

**CASA
Development**

**Legislative
Package**

**Election #1
Presidential**

**PBA/RHNA
Adoption**

**Election #2
Gubernatorial**

