

# 2023 LEGISLATION

Impacting Residential Rental Housing



### TOP 2023 LEGISLATIVE CONSIDERATIONS

#### ASSEMBLY BILLS

AB 12 (Haney) -Security Deposits AB 225 (Grayson) -Enviro Hazards AB 309 (Lee) AB 323 (Holden) -Density Bonuses AB 524 (Wicks) AB 548 (Boerner) -Inspections AB 875 (Gabriel) AB 1317 (Carrillo) -Parking

#### ASSEMBLY CONSTITUTIONAL AMENDMENTS

ACA 1 (Aguilar-Curry) – Affordable Housing Financed by Government 55% Vote Threshold

ACA 10 (Haney) – Housing is a Human Right

ACA 13 (Ward) – Voting Thresholds

#### SENATE BILLS

SB 267 (Eggman) -Credit History

SB 466 (Wahab) -Repeal Costa Hawkins

SB 567 (Durazo) -Just Cause Eviction & Rent Increases

#### SENATE CONSTITUTIONAL AMENDMENTS

SCA 2 (Allen) -Public Housing Projects

#### 2024 BALLOT INITIATIVES

Weinstein Initiative – Repeal Costa Hawkins



## ASSEMBLY BILLS

- AB 12 Haney Security Deposits
- AB 225 Grayson -Environmental Hazards
- AB 309 Lee Social Housing Act
- AB 323 Holden Density Bonus Units
- AB 524 Wicks Family Caregiver Status
- AB 548 Boerner Inspection of Dwelling Units
- AB 875 Gabriel Court Data Reporting
- AB 1317 Carrillo Parking



#### AB 12 – HANEY

#### REDUCTION IN RENTAL SECURITY DEPOSITS

- Negative Impact on applicants w/ credit issues
- Increased focus on applicants ability to pay rent
- Gentrification





### AB 225 – GRAYSON

#### ENVIRONMENTAL HAZARDS BOOKLET

- Creates potential for insurance denial
- Insurance is denying coverage for "Natural Disasters"
- May create need for Excess and Suprlus Insurance





### AB 309 – LEE

### SOCIAL HOUSING ACT

- Allows for ballot initiatives to pay for social housing
- Will require taxes to ensure no one pays more than 30% of their income on housing
- ACA 13 would create housing as infrastructure.



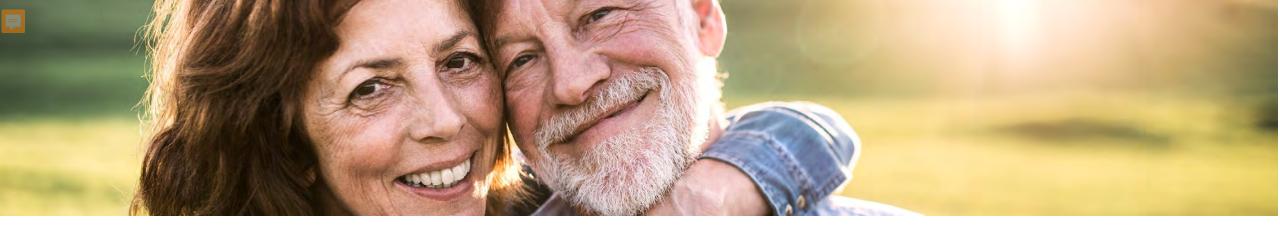


### AB 323 – HOLDEN

### PURCHASE OF DENSITY BONUS UNITS

- Deed restricted owner-occupant units must be made available to an income qualified owner occupant
- Requires unsold deed restricted units to be made available to a qualified non-profit
- Establishes \$15,000 penalties for violation of these rules





#### AB 524 – WICKS

### FAMILY CAREGIVER STATUS

- Sets FEHA precedent
- Could result in "Family Caregiver Status" being a protected class
- Conflicts with deed restriction qualifications





### AB 548 - BOERNER

=

### INSPECTION OF DWELLING UNITS

- Doesn't identify fault of conditions once inspected
- Places responsibility of providing access on owners
- Neglects the right of the tenant to refuse access
- Local Government policies may conflict with state policies





### AB 875 – GABRIEL

### COURT DATA REPORTING

- Requires specific information to be reported without context
- Focuses on repayment of Covid-19 rental debt
- Potential inconsistencies in reporting could result in additional regulation on the housing industry





### AB 1317 – CARRILLO

### UNBUNDLED PARKING

- Sets precedent for repairs and amenities
- Future "unbundling" efforts in multifamily could create problems all around
- Unbundling could apply to landscaping, maintenance, laundry, gym, pool, club house, profits, etc.



### SENATE BILLS

• SB 267 Eggman – Credit History

• SB 466 Wahab – Repeal Costa Hawkins

• **SB 567** Durazo – Just Cause Termination, Rental Increases



### SB 267 – EGGMAN

### CREDIT HISTORY – GOVERNMENT RENT SUBSIDIES

- Reduces owner's ability to determine applicant's ability to pay rent
- Impacts the ability of government to determine eligibility for several programs
- Limits transparency of the application process





### SB 567 – DURAZO

### JUST CAUSE TERMINATION, RENTAL INCREASES

- Requires Building Permits prior to notice of eviction
- Creates delays in providing necessary repairs
- Increases costs of repairs
- Increases labor and building material costs and hurdles





# CONSTITUTIONAL AMENDMENTS

• ACA 1 – Affordable Housing

• ACA 10 – Housing is a Human Right

• ACA 13 – Voting Thresholds

• SCA 2 – Public Housing Projects

• Weinstein Initiative



### ACA 1 – AGUILAR-CURRY

### AFFORDABLE HOUSING FINANCED BY GOVERNMENT

- Makes it easier to pass new parcel taxes
- Doesn't define "public infrastructure" or "affordable housing"
- In effect dismantles Prop 13





### ACA 10 – HANEY

#### FUNDAMENTAL HUMAN RIGHT TO HOUSING

- Establishes a "right" to "adequate housing" for all Californians
- Does not define what "adequate housing" is
- Obligates the public to pay for housing
- Creates conflicting priorities for legislative bodies
- Establishes expectations that are legally dubious





### ACA 13 – WARD

#### VOTING THRESHOLDS

#### ISSUES WITH THE LEGISLATION

- Last minute "gut and amend" bill during the final weeks of the first year of the legislative session
- Enables local government to pass taxes easily
- Grants special districts the same taxing rights as local government
- Provides low threshold for passing bonds, taxes, and general obligations paid for by property owners

>2<6 E96> DE2?5 @FE 7C@> 4@>A=6I:EJ[ 2?5 F?:BF6 252AE2E: @ 2?5 8C@FA D:K6D[ =@H 6? C6DE2== @E96C AC:>2E6D],bd. s:776C6?E EJA6D @7 @?X[ D>2== 52J 2?5 ?:89EX 4E 3C665:?8 D62D0?D], f.,bc. 5FC:?8 46A92=:K2E:0? WC6=2E:G6 3C2:? D:K6X C6=2E:G6=J 40>>0? >2E6DtIEC6>6 C6D0FC46 =:>:E2E:0?D 2?5 D62D0?2= **QE9** =6G6=D @72AA62C2?46X EC2:EDi 76>2=6 D@4:2= 50>:?2?46[ D6 7@C >2E6D :?G@=G:?8 =@H 280?:D>[ DF49 2D DA6C> 40>A6E:E:0?],be. J62CD 280[ C@F89=J ER C:46 A255:6D 2?5 8C2DD=2?5 E9C@F89 D=2D9\2?5 24C@DD E96 :D=2?5],b`. w@H6G6C[ 62C= 205



### SCA 2 – ALLEN

### PUBLIC HOUSING PROJECTS

- Corrects an historically questionable section of the California Constitution
- Begins the discussion of overturning public vote thresholds for development to be approved
- Focuses legislative support on an initiative aimed at providing more housing in California rather than fighting developments in California





### SB 466 – WAHAB AND WEINSTEIN INITIATIVE

### REPEAL COSTA HAWKINS

- Restricts rental rates for new renters
- Rolls back exemption timelines for rent control
- Expands abilities of local government to affect multifamily housing operations





### AB 2503 – GARCIA

### RESIDENTIAL RENTAL HOUSING TERMS

- Creates consistent terms throughout the California Business and Professions code
- Removes historic associations with terms landlord and tenant
- Signed by Governor and sent to California Law Revision Commission



### CONCLUSION AND Q & A

#### AAOC Follow Up

714-245-9500

Advocacy@aaoc.om

www.aaoc.com

#### Legislative Follow Up

Advocacy @aaoc.com

www.aaoc.com

Support the:

Legal Defense Fund

Political Action Committees





# 2023 LEGISLATION

Impacting Residential Rental Housing

# THANK YOU FOR ATTENDING

