

ABAG Report to MCCMC¹

February 2025

EXECUTIVE SUMMARY: This report includes a synopsis of 2 bills that the ABAG Executive Board decided to co-sponsor; polling results on a proposed Regional Transportation Revenue Measure; and **REMINDER: Save the Date for the ABAG Assembly scheduled for June 20, 2025.**

PROPOSED LEGISLATION:

In February, the ABAG Executive Board decided to co-sponsor two bills == one dealing with teleconferencing reform and the other would allow cities and counties to earn credit toward their Regional Housing Needs Allocation (RHNA) targets by preserving “naturally occurring affordable housing” with long-term deed restrictions. Following provides more detailed information:

Senate Bill (SB) 239 (Arreguín): AB 239 would expand remote meeting options for non-decision-making local legislative bodies – including advisory boards – that do not take final action.

While some public agencies have expressed interest in restoring the broad flexibility to meet entirely remotely as was allowed during the state of emergency, there is significant resistance to this among the Legislature. In the 2023-24 legislative session, AB 817 represented a compromise – expanding flexibility for subsidiary bodies to meet remotely but retaining the requirement that decision-making bodies meet either in person or in compliance with current law’s teleconference requirements. However, AB 817 was approved by the Assembly but did not pass out of the Senate Local Government Committee. **SB 239** is a modified version of AB 817. The changes are intended to address key policy concerns raised by the Senate Local Government Committee and other members of the Senate during bill deliberations. Those include:

- Narrowing the bill to exclude advisory bodies with subject matter jurisdiction over police oversight, elections or budgets.
- Exempting elected officials from taking advantage of the enhanced teleconferencing flexibility authorized by the bill.
- Clarifying that legislative bodies that take final action on grants are not “subsidiary bodies”

The League of California Cities and California Association of Counties are also co-sponsoring the bill.

Assembly Bill (AB) 670 (Quirk-Silva): AB 670 would allow cities and counties to earn credit toward their RHNA targets by preserving “naturally occurring affordable housing” with long-term deed restrictions.

The phrase “naturally occurring affordable housing” or NOAH is used to describe apartment buildings, often older stock, with market-rate rents that are affordable to low-to-moderate income households. NOAH “preservation” refers to a growing practice by mission-driven organizations of buying these properties and attaching to them long-term deed restrictions that prevent displacement and preserve their affordability for low-income households for 55 years. Without such intervention to pull these homes off the speculative market, private equity and gentrification can drive up rents and displace long-time residents. Since 2020, California communities have lost an estimated 163,000 NOAH units for low-income households, according to the California Housing Partnership Corporation. In the Bay Area, more than 60,000 additional homes are at high risk of conversion. Many Bay Area jurisdictions through their housing elements have identified preservation as a piece of their overall affordable housing and anti-displacement strategies. However, state

¹ Marin County Council of Mayors and Councilmembers (MCCMC). For questions, please contact Councilmember Pat Eklund at: 415-336-9913 (cell).

housing element law disincentivizes cities from investing in those preservation strategies because preserved NOAH homes do not contribute to meeting their RHNA targets for low-income households.

For the past eight months, ABAG staff have co-led a working group of local jurisdiction staff, nonprofit developers, and housing advocates to develop options for allowing localities to earn RHNA credit for NOAH preservation. The working group's goal was to acknowledge the critical role that preservation plays in addressing our region's affordable housing crisis and incentivize investments in affordable housing preservation. The proposed legislation (<https://legiscan.com/CA/text/AB670/id/3123789>) will allow jurisdictions to claim credit on their APR for NOAH properties affordable to low-income households and preserved with public assistance, for up to 25 percent of their RHNA allocation in the relevant income category. To qualify, the properties must be deed-restricted for at least 55 years and protect existing tenants against displacement. The bill will also clarify for jurisdictions their reporting obligation related to demolished homes. Finally, it will add a minor APR reporting requirement to track developers' compliance with replacement housing and relocation assistance requirements.

REGIONAL TRANSPORTATION REVENUE MEASURE POLLING RESULTS: In January 2024, EMC Research, Inc. conducted a poll of 3,050 Bay Area voters to test support and overall attitudes regarding a potential transportation revenue measure, including a three-way split sample to test three different funding frameworks. The 3 frameworks included the following:

- Scenario 1A: A 10-year ½-cent sales tax focused on averting major transit service cuts and providing funding for Transit Transformation, generating at least \$560 million annually.
- Hybrid: A 30-year ½-cent sales tax plus \$.09 per building sq ft parcel tax including at least five counties and up to nine, providing a higher level of funding for transit operations in early years, funding for Transit Transformation, plus flexibility for local infrastructure priorities.
- Variable Rate: 1/2 cent – 7/8 cent sales tax for transit for 11 years, as proposed by San Francisco Municipal Transportation Agency, generating at least \$640 million annually focused on transit operations with the goal of more fully addressing transit agencies' operating funding needs. Note that this framework was included to maximize efficiencies and ensure "apples to apples" comparison of polling results. SFMTA is funding this portion of the poll.

Scenario 1A and the Variable Rate options were tested in the counties of Alameda, Contra Costa, San Mateo and the City and County of San Francisco. Santa Clara County voters were not polled on these two options both to keep the poll within budget as well as in recognition of statements from South Bay elected officials (including Commissioner/San Jose Mayor Mahan, Commissioner Abe-Koga, and former Commissioner Chavez in a November 2024 letter) expressing a preference for pursuing a parallel Santa Clara County measure to generate additional transportation funds. The Hybrid option was tested in all nine counties, though a reminder that, it was structured to include Santa Clara County and the North Bay counties on an opt-in basis only.

The results were broken out by county: [Regional Transportation Measure Voter Survey Report Feb 2025.pdf](#)

SAVE THE DATE: ABAG GENERAL ASSEMBLY – JUNE 20, 2025

The annual ABAG General Assembly will be held at the Bay Area Metro Center in San Francisco on Friday, June 20, 2025. All ABAG delegates and/or alternates, please save the date. More information will be distributed in the next few months.