

Assembly Bill No. 2923

CHAPTER 1000

An act to add and repeal Sections 29010.1, 29010.6, 29010.7, 29010.8, 29010.9, 29010.10, 29010.11, and 29010.12 of the Public Utilities Code, relating to transportation.

[Approved by Governor September 30, 2018. Filed with
Secretary of State September 30, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2923, Chiu. San Francisco Bay Area Rapid Transit District: transit-oriented development.

(1) Existing law establishes the San Francisco Bay Area Rapid Transit District (BART) with various powers and duties and establishes a board of directors as the legislative body of the district. Existing law requires the board to determine all questions of district policy and what transit facilities should be acquired or constructed, and authorizes the board to establish zones within the district to undertake the acquisition or construction of any transit facilities.

This bill would require the board to adopt by ordinance new transit-oriented development (TOD) zoning standards for each station that establish minimum local zoning requirements for height, density, parking, and floor area ratio only, that apply to an eligible TOD project, as defined. The bill would require that the adoption of, or amendments to, the TOD zoning standards comply with specified requirements and would require affected local jurisdictions to adopt a local zoning ordinance that conforms to the TOD zoning standards and is operative within 2 years of the date that the TOD zoning standards are adopted by the board for a station, or by July 1, 2022, if the board has not adopted TOD zoning standards for the station. The bill would provide that BART's approval of TOD zoning standards is subject to California Environmental Quality Act (CEQA) review and would designate BART as the lead agency for CEQA review, as specified.

This bill would, where local zoning remains inconsistent with the TOD zoning standards after July 1, 2022, require the TOD zoning standards to become the local zoning for any BART-owned parcels that are at least 75% within ½ mile of any existing or planned BART station entrance within the BART district in areas represented on the board, as specified. The bill would require BART to ensure any otherwise applicable local design standards are included as general guidance to the TOD developer, and would require a TOD developer to adhere to any applicable local design standards insofar as those standards do not prohibit the minimum height, minimum density, minimum floor area ratio, and maximum parking allowances required by the TOD zoning standards. The bill would require that, where housing is

proposed as part of a TOD project, a certain minimum of residential housing units is affordable housing, as specified, and that the construction of the TOD project complies with specified labor requirements. The bill would provide that when BART enters into an exclusive negotiating agreement with a developer for development of an eligible TOD project, that agreement shall confer a vested right to proceed with development, as specified. The bill would provide that its provisions are repealed on January 1, 2029, except as otherwise specified. The bill would enact other related provisions and exceptions.

By increasing the duties of local public officials, the bill would impose a state-mandated local program.

(2) The bill would include legislative findings and declarations in support of the act being a matter of statewide concern.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The state's economic health is significantly tied to the regional economic health of the San Francisco Bay Area. The growth and success of the Bay Area's economy is threatened by several challenges, including inadequate and unaffordable housing and excessive and increasing roadway congestion. In the state-mandated sustainable communities strategy for the Bay Area, locating affordable and market-rate housing near high-capacity transit is a primary tool with which to address these challenges and will keep the Bay Area on track to meet its state-mandated greenhouse gas emissions reduction targets.

(b) The San Francisco Bay Area Rapid Transit District (district) is a product of the Legislature, drawing its power from the San Francisco Bay Area Rapid Transit District Act (Part 2 (commencing with Section 28500) of Division 10 of the Public Utilities Code), which acknowledges the statewide interest in a well-functioning, cost-effective, and fiscally sustainable district network.

(c) Recognizing the above statewide interest, the state has granted the district land use and permitting authority to build transportation facilities such as parking structures, stations, and maintenance facilities. Since that authority was granted, it has only become clearer that making those facilities financially and environmentally sustainable requires that the district have some level of authority over land use for transit-oriented development.

(d) Transportation services are uniquely tied to land use patterns, as recognized by the Legislature’s enactment of Chapter 728 of the Statutes of 2008, which integrated the development of sustainable communities strategies into regional transportation plans. Furthermore, the district itself is unique as a transit agency in that it is governed by an elected board of directors, granting the people of the San Francisco Bay Area a greater measure of input on the district’s decisions than the constituents of other agencies have on their agencies. The district is also unique because of the number of daily rail passengers it serves. Because of the district’s unique status, the Legislature, pursuant to this act, intends to solely grant the district an exception to the principle that cities and counties must be reserved land use authority by granting the district a measure of limited land use authority over the parcels it owns in the immediate vicinity of its stations.

(e) The state has invested significantly in the district’s infrastructure, which is estimated to be worth over twenty billion dollars (\$20,000,000,000), and continues to invest tens of millions of dollars more for the district’s operations every year. The state has an interest in leveraging the maximum benefits from this investment, including greenhouse gas emissions reductions, congestion reduction, air quality improvement, mobility enhancements, increased transit ridership, and increased affordable housing.

(f) For the above reasons, the authorizations in this act, which seek to deliver affordable and market-rate housing in close proximity to high-capacity transit, constitute an urgent matter of statewide concern.

SEC. 2. Section 29010.1 is added to the Public Utilities Code, to read:

29010.1. (a) For purposes of this article, the following definitions shall apply:

(1) “BART TOD place type” means the place type described in Table 1 and Figure 1 of the BART Transit-Oriented Development Guidelines (2017), as updated by the district.

(2) “Eligible TOD project” means a TOD project that meets all of the following requirements:

(A) The parcel or parcels on which the TOD project would be located is an infill site, as defined in Section 21061.3 of the Public Resources Code.

(B) The parcel or parcels on which the TOD project would be located was not acquired through eminent domain on or after July 1, 2018.

(C) The parcel or parcels on which the TOD project would be located forms a contiguous area of at least 0.25 acres, has at least 75 percent of its area located within one-half mile of an existing or planned district station entrance, and is located within an area represented on the board.

(D) The parcel or parcels on which the TOD project would be located is owned by the district.

(E) For a TOD project relating to a district station that existed on July 1, 2018, the TOD zoning standards and Section 29010.7 shall apply only to a parcel that is owned by the district on that date.

(F) For a TOD project relating to a planned district station, the district station has been approved by an ordinance or resolution adopted by the

legislative body of the local jurisdiction with local land use zoning jurisdiction over the area in which the station is located.

(3) “Floor area ratio” means the ratio of gross building area of the development, excluding structured parking areas, proposed for the project, divided by the total area of the parcel or parcels used by the project, where “gross building area” means the sum of all finished areas of all floors of a building included within the outside faces of its exterior walls.

(4) “Local jurisdiction” means a city, including a charter city, a county, or a city and county.

(5) “Planned district station” means a station that has completed the California Environmental Quality Act review and for which construction is more than 75 percent funded.

(6) “Station entrance” means the entry point into an enclosed station structure, or, where that point is not clear or does not exist, the station fare gates.

(7) “TOD” means transit-oriented development.

(8) “TOD project” means any residential or commercial development project, comprised of one or more buildings, wholly or partially on district land with 50 percent of the floor area of the project dedicated to residential uses, unless a locally adopted specific plan provides for a different percentage, or other metric, of residential uses on district-owned parcels. If a locally adopted specific plan establishes a lower minimum residential use requirement for district-owned land, the specific plan metric shall serve as the minimum residential requirement.

(9) “TOD project area” means the parcel or parcels of land on which a TOD project is situated.

(b) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 3. Section 29010.6 is added to the Public Utilities Code, to read:

29010.6. (a) (1) Notwithstanding any other law, the San Francisco Bay Area Rapid Transit District (BART) board of directors shall, consistent with Section 28793, adopt by ordinance TOD zoning standards for each station that establish minimum local zoning requirements for height, density, parking, and floor area ratio only, that apply to an eligible TOD project.

(2) Adopted TOD zoning standards shall establish, for each district station, the lowest permissible limit for height, density, and floor area ratio, and the highest permissible parking minimums and maximums. The zoning standards published in Table 1 and Figure 1 of the BART TOD Guidelines (2017) shall serve as the minimum allowable density and height limits, and the highest allowable parking limits to which the board is required to adhere in adopting TOD zoning standards. The board shall not establish floor-area-ratio limits in the TOD zoning standards for each station type less than the number in the column titled “residential target height” multiplied by 0.6.

(3) The TOD zoning standards adopted by the board for each station shall not assign a lowest permissible height limit taller than the larger of the following two heights:

(A) The “highest approved height” as defined in subparagraph (A) of paragraph (1) of subdivision (a) of Section 29010.7.

(B) One hundred fifty percent of the target height in the zoning standards published in Figure 1 of the BART TOD Guidelines (2017).

(4) (A) TOD zoning standards shall be adopted by July 1, 2020, and may be amended thereafter pursuant to this section.

(B) (i) If the board, for any reason, does not adopt new standards for a station by July 1, 2020, Table 1 of BART TOD Guidelines (2017) shall serve as the TOD zoning standards, with the Transit Oriented Place Types identified in Figure 1 of the BART TOD Guidelines (2017), until that time when the board adopts new TOD zoning standards for that station.

(ii) In the case that Table 1 of the BART TOD Guidelines (2017) serves as the TOD zoning standards for any stations, the minimum allowable floor-area-ratio limit shall be calculated for each station type by multiplying the number in the column titled “residential target height” by 0.6.

(5) The district is not required to establish TOD zoning standards for a station where, according to the district’s assessment, it would be impractical to develop an eligible TOD project greater than one-half acre.

(6) The TOD zoning standards adopted by the board for each station shall reflect the diversity of the different communities served by the district’s stations.

(b) The adoption of, and amendments to, the TOD zoning standards shall comply with all of the following:

(1) The district shall hold a public hearing to receive public comment on the proposed TOD zoning standards or proposed changes to the TOD zoning standards. The district shall conduct direct outreach to relevant local jurisdictions and to communities of concern around each station. Before or during the scoping meeting, the district shall meet with each jurisdiction in which the station is located, as well as any relevant infrastructure agencies. The consultation required pursuant to this section shall include all of the following:

(A) A review of the housing needs of the jurisdiction.

(B) A review of the TOD approved and built in the past year in the jurisdiction.

(C) A review of any TOD projects proposed by the district in the jurisdiction for the past year.

(D) A discussion of any obstacles to development of any project proposed by the district.

(2) Not less than 30 days before a public hearing of the board to consider the TOD zoning standards, the district shall provide public notice and make the draft standards available to the public.

(3) The board shall adopt or reject any proposed TOD zoning standards at a publicly noticed meeting of the board not less than 30 days following the original public hearing.

(c) Before or at the same time as adopting the TOD zoning standards, the board shall approve travel demand management requirements for TOD

projects on district-owned real property, which shall be consistent with district station access, district sustainability, and district TOD policy goals.

(d) (1) Where local zoning is inconsistent with the TOD zoning standards for a station, the local jurisdiction shall adopt a local zoning ordinance that conforms to the TOD zoning standards and is operative within two years of the date that the TOD zoning standards are adopted by the board for a station, or by July 1, 2022, if the board has not adopted TOD zoning standards for the station.

(2) The district shall make a finding as to whether the local zoning ordinance conforms to the TOD zoning standards. Local zoning shall remain in place unless the district determines that it does not conform to the TOD zoning standards. If, according to the district's finding, the local zoning ordinance does not conform to the TOD zoning standards after July 1, 2022, the TOD zoning standards shall become the local zoning for any district-owned parcels that are at least 75 percent within one-half mile of any existing or planned district station entrance in areas represented on the board. For each station, a local jurisdiction may update zoning for district-owned land to comply with TOD zoning standards until the time that the district enters into an exclusive negotiating agreement with a developer for an eligible TOD project.

(3) If a local jurisdiction is in review under the California Environmental Quality Act (CEQA) (Division 13 (commencing with Section 21000) of the Public Resources Code) of proposed zoning, or engaged in a lawsuit related to zoning adoption, but has not completed the adoption of those zoning standards by the time the district enters into an exclusive negotiating agreement with a developer for the development of an eligible TOD project, the district shall, to the extent it has the authority, take into consideration the local jurisdiction's proposed zoning standards in negotiating the district's development agreement with any potential eligible TOD project developer.

(4) In cases where a local jurisdiction's zoning for district-owned land within one-half mile of a district station, approved as of July 1, 2018, is within 10 percent of the height and floor-area-ratio standards established in Table 1 and Figure 1 of the BART TOD Guidelines (2017) and values calculated by clause (ii) of subparagraph (B) of paragraph (4) of subdivision (a) the local jurisdiction shall be exempt from the application of the TOD zoning standards for that station. In this case, the parking requirements shall be set as the parking minimum and maximum established in Table 1 and Figure 1 of the BART TOD Guidelines (2017).

(e) (1) The district's approval of TOD zoning standards shall be subject to CEQA review. The district shall serve as the lead agency for CEQA review for the TOD zoning standards.

(2) Any subsequent CEQA review of rezoning to conform with TOD zoning standards, and of eligible TOD projects proposed on district-owned land, shall incorporate the environmental review document certified for the TOD zoning standards consistent with Section 21094 of the Public Resources Code. A public agency shall not prepare an environmental impact report or mitigated negative declaration for rezoning pursuant to paragraph (2) of

subdivision (d) to implement TOD zoning standards or for a TOD project subsequent to the district’s certification of an environmental review document for approval of TOD zoning standards unless the public agency finds, based on substantial evidence, that the rezoning or TOD project creates a significant effect on the environment that was not analyzed in the prior environmental review document, and mitigated or avoided.

(f) In the event that the TOD zoning standards, objective planning standards, general plan, or design review standards are mutually inconsistent, the TOD zoning standards shall be the controlling standards. To the extent that the zoning standards do not resolve inconsistencies, the general plan shall be the controlling standard.

(g) The district shall establish, and amend as necessary, a parking replacement policy, consistent with the district’s practice at auto-dependent stations and the district’s station access policy, with specific provisions to ensure that, after the construction of the eligible TOD project, auto-dependent stations are still accessible by private automobile. The policy shall specifically consider the parking replacement needs for auto-dependent end-of-the-line stations.

(h) For any station where district commuter parking is reduced as a result of a TOD project on land where TOD zoning standards apply, the district shall develop and fund an access plan that maintains station access for at least the number of customers affected by the reduced number of commuter parking spaces, which shall include specific consideration for customers who live further than one-half mile from the station.

(i) Local jurisdictions shall not do either of the following:

(1) Require that parking, as part of an eligible TOD project, be associated with any specific use, residential unit, business, or portion of the TOD project.

(2) Prohibit parking from being sold, rented, or otherwise assigned separately from other parts of the eligible TOD project.

(j) Zoning in effect as a result of this section shall be considered the same as locally approved zoning for all purposes, including the density bonus law and the Housing Accountability Act.

(k) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 4. Section 29010.7 is added to the Public Utilities Code, to read:

29010.7. (a) (1) This section shall only apply to an eligible TOD project that meets both of the following requirements:

(A) Has a height less than or equal to one story, or 15 feet, above the highest approved height for mixed use or residential use within a half-mile of a district station parcel or entrance on July 1, 2018, where “highest approved height” means the tallest height, including heights that require conditional approval, allowable pursuant to zoning, including the municipal code and any specific or area plan that covers the district station property.

(B) Has a floor area ratio equal to or less than 0.6 times the number of stories that satisfies subparagraph (A).

(2) (A) If local zoning standards allow for taller heights or larger floor area ratios than the requirements in paragraph (1), this section shall apply to any project that meets the requirements of the local zoning standards.

(B) Subparagraph (A) shall not apply to local zoning standards adopted for the purpose of complying with paragraph (1) of subdivision (d) of Section 29010.6 or to BART TOD standards that have become the local zoning pursuant to paragraph (2) of subdivision (d) of Section 29010.6.

(3) This section shall not apply to a project where the local jurisdiction finds that the project will cause a specific adverse impact to public health and safety as described in paragraph (2) of subdivision (d) of Section 65589.5 of the Government Code, and there is no feasible method to satisfactorily mitigate or avoid the adverse impact.

(b) (1) A developer in an exclusive negotiating agreement with the district may submit an application for a development that is subject to the streamlined, ministerial approval process not subject to a conditional use permit as specified in Section 65913.4 of the Government Code.

(2) An eligible TOD project that meets the requirements in subdivision (a) shall not be required to comply with the objective planning standards in subdivision (a) of Section 65913.4 of the Government Code to be eligible for the streamlined, ministerial approval process, except as otherwise provided in this article.

(c) A developer of an eligible TOD project may apply for density bonus pursuant to Section 65915 of the Government Code. For purposes of an application submitted pursuant to subdivision (b), “maximum allowable gross residential density,” as that term is used in Section 65915 of the Government Code, includes the highest approved height, as defined in subparagraph (A) of paragraph (1) of subdivision (a), and the floor area ratio requirement described in subparagraph (B) of paragraph (1) of subdivision (a). A project that meets the requirements of paragraph (1) of subdivision (a) before the addition of any height increases, density increases, waivers, or concessions awarded through a density bonus shall remain eligible for streamlining under this section after the addition of a density bonus.

(d) (1) The district shall ensure any otherwise applicable local design standards, insofar as those standards do not prohibit the minimum height, minimum density, minimum floor area ratio, and maximum parking allowances required by the TOD zoning standards, are included as general guidance to the TOD developer.

(2) A TOD developer shall adhere to any applicable local design standards insofar as those standards do not prohibit the minimum height, minimum density, minimum floor area ratio, and maximum parking allowances required by the TOD zoning standards.

(e) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 5. Section 29010.8 is added to the Public Utilities Code, to read:

29010.8. (a) The district shall do all of the following to avoid the loss of affordable housing units and to prevent the direct displacement of tenants:

(1) Require that any eligible TOD project that involves the demolition of any of the following types of housing, within five years from the date of approval of the development agreement, shall be subject to a policy that requires the replacement of all of those housing units to the same or lower income levels:

(A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents or sales prices to levels affordable, as defined in Section 50052.5 or 50053 of the Health and Safety Code, to persons and families of moderate, lower, or very low income, as defined in Section 50079.5, 50093, or 50105 of the Health and Safety Code, respectively.

(B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(C) Housing that had been occupied by tenants within five years from the date of approval of the development agreement by a primary tenant who was low income and did not leave voluntarily.

(2) As a condition of any development on a parcel within an eligible TOD project area, replacement housing units for those described in paragraph (1) shall be subject to recorded affordability restrictions. In the case of the demolition of a rental unit, a replacement unit shall be a rental unit with restrictions for at least 55 years, with a rent level set at the same level as the previous restrictions or, if no rent restrictions were in place, at rent affordable, as defined in Section 50053 of the Health and Safety Code, to the tenant who most recently occupied the unit, or, if the income level of the most recent tenant cannot be determined, at rent affordable to lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(3) Prohibit the demolition of any unit occupied by lower income tenants unless the district or the TOD developer has offered, in writing, the tenant a commensurate or better replacement affordable housing unit that is available for occupancy by the displaced tenant within one-half mile of the same district station at a rent that does not exceed the tenant's previous rent.

(4) Require that new units shall not be occupied sooner than the date that replacement affordable housing units are available to all eligible tenants that wish to be moved into replacement units pursuant to paragraph (3).

(5) Provide relocation assistance to lower income tenants directly displaced from housing units by an eligible TOD project pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code.

(6) Develop a strategy, in coordination with local jurisdictions, to do both of the following:

(A) Increase affordable housing options and incentivize tenant protections for very low and low-income residents within and around an eligible TOD project area, particularly in communities of concern, as defined in MTC's regional transportation plan, where there is potential for residential displacement due to changing market and development conditions. The strategy should specifically address mitigations for the direct and indirect impacts from the demolition of any existing housing units.

(B) Deliver housing for essential workers within and around TOD projects, especially for very low, low-, and moderate-income workers.

(b) An eligible TOD project shall do both of the following:

(1) (A) Where housing is proposed, restrict at least 20 percent of the residential housing units for occupancy by very low and low-income households and subject to a recorded affordability restriction for at least 55 years in the case of rental units and 45 years in the case of owner-occupied units, in addition to the replacement affordable housing units described in paragraph (3) of subdivision (a), with a priority on residential units for very low and low-income households.

(B) If a local jurisdiction's inclusionary housing requirement mandates a higher percentage of affordable units or a deeper level of affordability than that described in subparagraph (A), then that jurisdiction's affordability percentage requirements shall apply in place of the requirements in subparagraph (A).

(2) The district shall develop and implement an approach to evaluating affordable housing proposals that will consider a proposal's quantity and depth of affordability, and the proposal's validity and feasibility with respect to the requirements of this section.

(3) Comply with the labor requirements of Section 65913.4 of the Government Code and any other applicable district labor policies, including the district's policy of requiring project stabilization agreements pursuant to district Resolution 5182 (November 17, 2011), In the Matter of a Policy Requiring Project Stabilization Agreements (PSA) with Local Hire Provisions on Transit-Oriented Development (TOD) Projects.

(c) On district-owned land within the district's boundaries, the district shall ensure that a total of 30 percent of housing units are affordable, with priority given to very low and low-income households. The district shall submit a biennial report to the Department of Housing and Community Development stating the percentage of units that are restricted as affordable units, by level of affordability, for all district TOD projects.

(d) The district may exempt specific TOD projects from the application of TOD zoning standards when the project is in the approval process with a local jurisdiction before imposition of the TOD zoning standards adopted pursuant to subdivision (a) of Section 29010.6.

(e) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 6. Section 29010.9 is added to the Public Utilities Code, to read:

29010.9. (a) Notwithstanding Section 65913.4 of the Government Code, a local jurisdiction may exercise full design review and conditional use permitting authority over any eligible TOD project that does not meet the conditions specified in subdivision (a) of Section 29010.7, except as provided in subdivision (c) of Section 29010.7.

(b) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 7. Section 29010.10 is added to the Public Utilities Code, to read:

29010.10. (a) When the district enters into an exclusive negotiating agreement with a developer for the development of an eligible TOD project, that agreement shall confer a vested right to proceed with development in substantial compliance with the provisions of Sections 29010.6, 29010.7, 29010.8, and 29010.9. However, if Section 29010.6, 29010.7, 29010.8, or 29010.9 is repealed, that agreement shall confer a vested right to proceed with the eligible TOD project in substantial compliance with those provisions in effect at the time the agreement was entered into.

(b) This section shall remain in effect only until January 1, 2031, and as of that date is repealed.

SEC. 8. Section 29010.11 is added to the Public Utilities Code, to read:

29010.11. (a) Before July 1, 2027, the district shall submit a report to the Legislature assessing whether the provisions of this chapter effectively accelerate, and improve the quality of, TOD at district stations.

(b) The report shall include all of the following:

(1) The average time to deliver TOD projects begun before January 1, 2019, and after January 1, 2019.

(2) A summary of the data on travel behavior and choices for TOD residents and workers.

(3) A summary of the housing affordability in district TOD projects begun after January 1, 2019.

(4) A summary of which TOD projects were delivered pursuant to a streamlined approval process and delivered pursuant to a discretionary approval process.

(5) A cost comparison of discretionary and ministerial TOD projects.

(6) Other factors the district determines to be pertinent to the Legislature's consideration of whether to extend the sunset dates applicable to this chapter.

(c) (1) A report to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2031.

SEC. 9. Section 29010.12 is added to the Public Utilities Code, to read:

29010.12. (a) This article shall not apply to a district station without unentitled or undeveloped land on July 1, 2018, unless that station entitlement expires. For this purpose, "undeveloped land" includes, but is not limited to, surface parking.

(b) This article shall not preclude or limit the ability of a developer to seek, or the application of, a density bonus, including concessions and incentives from a local government pursuant to Section 65915 of the Government Code.

(c) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 10. The Legislature finds and declares that the serious shortage of affordable and market-rate housing in close proximity to high-capacity transit is a threat to the economic health of the state and jeopardizes the state's ability to achieve its greenhouse gas reduction goals and is a matter

of statewide concern and not exclusively a municipal affair as that term is used in Section 5 of Article XI of the California Constitution.

SEC. 11. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.