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2017 SEP 21 PM 12:32

## AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Katano Kasaine  
Director of Finance

**SUBJECT:** Federal and State Budgetary Actions  
Standing Report

**DATE:** September 21, 2017

City Administrator Approval

*Sabrina B. Landreth*

Date:

9/21/17

A standing monthly report from staff will be scheduled at the second Finance and Management Committee meeting of each month, for the purpose of presenting to the committee any new developments relating to the Federal and State budgetary actions and their potential impact on the City.

For questions regarding this report, please contact Jonathan Segarra, City Administrator Analyst, at (510) 238-4906.

Respectfully submitted,

*Katano Kasaine*

Katano Kasaine  
Director of Finance, Finance Department



**TOWNSEND**  
PUBLIC AFFAIRS  
EST TPA 1998

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**MEMORANDUM**

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**To:** Mayor Libby Schaaf  
Council President Larry Reid and Members of the City Council

**From:** Townsend Public Affairs, Inc.

**Date:** September 20, 2017

**Subject:** Ongoing update of the 2017-2018 State & Federal Budgets

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**State Budget**

As background, TPA sent the City of Oakland a budget update on June 15<sup>th</sup>, 2017.

In summary, both the Senate and Assembly passed the main budget bill (AB 97), along with several budget trailer bills. Among the budget trailer bills that were approved by the Legislature and sent to the Governor is SB 94, which is the medicinal and adult use cannabis trailer bill. SB 94 has an impact on the City and TPA has been working very closely with City staff on the new regulatory matters and how to move forward.

Included in the budget and package of bills that was approved when the Budget was adopted was the first \$2.8 billion in transportation infrastructure funding that is being generated due to the passage of SB 1. This funding will be evenly distributed between state and local funding sources and will be directed to the various programs that are being administered by CalTrans and the CTC.

There were two that received a significant amount of debate: AB 102 and AB 112. AB 102 is the measure that establishes the Office of Tax Appeals to adjudicate tax disputes related to state taxes and fees, and shifts the administrative duties of the Board of Equalization to the newly established California Department of Tax and Fee Administration. The Board of Equalization remains as an elected body that will be focused on its core tax administration functions that are laid forth in the State Constitution. AB 102 was introduced as a direct result of a series of audits and reports about abuses and mismanagement at the Board of Equalization.

AB 112 is a trailer bill that contains many provisions; however, the provision that has garnered significant attention is one that allows for a voter to request that their signature be removed from a submitted recall petition, and requires information related to the costs of a special recall election to be posted. This bill is in response to the current effort to recall Senator Josh Newman, and has been drafted in such a way that the bill's provisions would be applied to that recall effort. With these provisions, most recall elections would be consolidated with a regularly scheduled primary or general election date, instead of having a separate special election.



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State Capitol Office • 925 L Street • Suite 1404 • Sacramento, CA 95814 • Phone (916) 447-4086 • Fax (916) 444-0383  
Federal Office • 600 Pennsylvania SE • Suite 207 • Washington, DC 20003 • Phone (202) 546-8696 • Fax (202) 546-4555  
Southern California Office • 1401 Dove Street • Suite 330 • Newport Beach, CA 92660 • Phone (949) 399-9050 • Fax (949) 476-8215  
Central California Office • 744 P Street • Suite 308 • Fresno, CA 93721 • Phone (949) 399-9050 • Fax (949) 476-8215  
Northern California Office • 300 Frank Ogawa Plaza • Suite 204 • Oakland, CA 94612 • Phone (510) 835-9050 • Fax (510) 835-9030



One of the major highlights for the City of Oakland was TPA's efforts as part of a coalition to support the Senate Budget proposal creating the California Violence Reduction, Intervention & Prevention (CalVRIP) Grant Program, formally known as CalGRIP. The City of Oakland's violence reduction strategies, funded in part by previous CalGRIP grants, have benefited tremendously from the State's investment.

The Governor signed the budget; however, many items were left for further discussion and action, such as affordable housing and cap and trade. TPA provided ongoing, real time updates regarding the end of the legislative session and the status and next steps on many of the fiscal legislative proposals that were a priority for the City. In the early hours of Saturday, September 16<sup>th</sup>, the State Legislature adjourned for the year.

Below is a list of legislation that could create new funding sources to help address some of the City of Oakland's priority projects. The Governor now has 30 days to act on the following bills:

#### **Senate Bill 1 (Beall) Transportation funding**

As we have previously updated the City, Oakland stands to gain an estimated \$8.2 million dollars a year from this legislation. These funds are for deferred maintenance on local streets and roads. In addition, there will be competitive funding opportunities to improve the state's trade corridors, transit, and active transportation facilities.

#### **Senate Bill 2 (Atkins) Building Homes and Jobs Act**

SB 2 was one of the City's top priorities. TPA and the City were actively supporting this bill to the very last vote. The bill establishes the Building Homes and Jobs Act and imposes a \$75 fee on real estate transaction documents, excluding commercial and residential real estate sales, to provide funding for affordable housing.

Half of the funds collected in the first year will be spent to directly address homelessness in the State, while the remaining half will be made available to localities to update planning document and zoning ordinances. In year two and beyond, 70% of the funds will be distributed directly to local jurisdictions, and 30% will go to the state to be spent for the following purposes: farmworker housing, state incentive programs, and mixed income multifamily residential housing affordable to lower- and moderate-income residents. This goes into effect January 1, 2018 and annual revenue estimates are between \$200 million and \$300 million a year. There is an attachment to this report that goes into further detail as to how the funds can be spent.

#### **Senate Bill 3 (Beall) Veterans and Affordable Housing Bond Act of 2018**

This bill was also another major focus for TPA and the City. SB 3 enacts the Veterans and Affordable Housing Bond Act of 2018 and authorizes the issuance of \$4 billion in general obligation (GO) bonds for affordable housing programs and a veteran's homeownership program. The following affordable housing programs would receive funds from this bond:

- Multi-family Rental Housing —\$1.5 billion to the existing Multifamily Housing Program.
- Transit Oriented Development Rental Housing—\$0.15 billion to the existing Transit-Oriented Development Implementation Program
- Infill Incentive Grant Program -- \$0.3 billion.
- Joe Serna, Jr. Farmworker Housing Grant Fund —\$0.3 billion
- Local Housing Trust Fund Matching Grant Program -- \$0.3 billion.
- CalHome Program —\$0.3 billion
- Self-Help Housing Fund -- \$0.15 billion.
- CalVet Home Loan Program -- \$1.0 billion



This goes on the general election ballot for November 2018. There is an attachment to this report that goes into further detail as to how the funds can be spent.

**Senate Bill 35 (Wiener) Planning and zoning; affordable housing; streamlined approval process;**

**Senate Bill 166 (Skinner) Residential density and affordability;**

**Senate Bill 167 (Skinner) Housing Accountability Act; and**

**Senate Bill 540 (Roth) Workforce Housing Opportunity Zone**

The four bills listed above are part of the overall 'affordable housing bill package'. Whereas these four bills do not have a direct tie to funding; they have been drafted to speed up the approval and construction of housing. This will help create construction and economic development opportunities in the City of Oakland and the region.

**Senate Bill 5 (De Leon) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018**

This bill proposes the Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act (Act) of 2018, subject to voter approval in the November 2018 election. The bill proposes the issuance of \$4 billion in general obligation bonds to implement its provisions.

This goes on the general election ballot for November 2018 and attached is a summary of the funding pots, for which the City of Oakland is eligible for many, many categories.

**Senate Bill 54 (De Leon) Law enforcement: sharing data (Sanctuary State)**

This bill does not create a new funding stream for the City, but it does help protect many of the small business owners and some of the industries supported by our immigrant community. This bill does not deal with federal grants for cities; rather, this bill seeks to prevent state and local law enforcement agencies from acting as agents of Immigration and Customs Enforcement. The bill will keep law enforcement agencies focused on community policing, rather than rounding up hardworking, honest immigrants who in many instances assist police in solving crimes rather than committing them.

**Senate Bill 595 (Beall) Metropolitan Transportation Commission: toll bridge revenues: BART Inspector General: Santa Clara Valley Transportation Authority: high-occupancy toll lanes**

This bill requires the nine Bay Area counties to conduct a special election to increase the toll rate charged on state-owned bridges within the region to address Bay Area traffic congestion and the associated economic and quality of life impacts. This bill also creates Metropolitan Transportation Commission (MTC) as a regional agency in the nine county Bay Area with comprehensive regional transportation planning and other related responsibilities. This goes on the election ballot for June 2018.

Whereas the funding from this bill is primarily for transit agencies or transit service providers and all Bay Area, some of the funds in this measure that will be beneficial to Oakland include:

- New BART cars;
- Goods Movement and Mitigation funds;
- San Francisco Bay Trail/Safe Routes to Transit;
- Core Capacity Transit Improvements;
- Alameda-Contra Costa Transit District (AC Transit) Rapid Bus Corridor Improvements; and
- Next-Generation Clipper Transit Fare Payment System.



### **Assembly Bill 109 (Ting) Budget Bill for Greenhouse Gas Revenue Expenditure Plan**

This bill amends the 2017 Greenhouse Gas Revenue Expenditure Plan. In combination with amendments included in AB 134 (Committee on Budget)/SB 119(Committee on Budget and Fiscal Review) of the current legislative session, this bill creates a plan that reflects the broad portfolio of investments intended to complement the policy work of AB 398 (Garcia). Attached to this report is a one-page summary of the many Cap and Trade related pots of funds, many of which the City of Oakland is eligible to compete for and has secured funding from.

### **Assembly Bill 398 (Garcia) California Global Warming Solutions Act of 2006: market-based compliance mechanisms: fire prevention fees: sales and use tax manufacturing exemption**

This bill extends the Cap and Trade program until December 31, 2030. The City of Oakland has benefited from many of the Cap and Trade programs listed above.

### **Senate Bill 649 (Hueso) Wireless telecommunications facilities**

This is a bill that we are actively opposing as it has a financial implication on the City. Of utmost concern is that SB 649 would limit the rent a local government can charge a wireless company to place a small cell on public property to a "cost-based" fee. SB 649 provides favorable treatment to one industry over others who are paying the appropriate market rate for access to city property. Whereas this technology is new, our estimated annual revenue and permit fees could be completely depleted by this bill.

## **Federal Budget**

### **Federal Budget & Appropriations Overview**

- At the federal level, the **budget** is a non-binding, broad outline of spending that is recommended but not required, which is followed by appropriations bills that fund all federal government agencies.
- **Appropriations bills**, which fund the federal government, are traditionally adopted in twelve individual bills pertaining to the various federal departments and agencies. These bills may also advance in the form of a:
  - **Continuing Resolution (CR)**: Extension of federal funding for a set amount of time at the same level as previously negotiated
  - **Omnibus**: Full-year funding, all in one bill
  - **Minibus**: Full-year funding, but for several departments at a time
  - **CRomnibus**: Combination CR and omnibus, which negotiates new funding levels for some areas of government and simply extends federal funding at same levels for other areas of government
- In a typical legislative year, Congress begins crafting their annual funding bills after the president submits his proposal in February, followed by appropriation committee hearings in early spring, appropriation bill mark-ups in late spring, floor debate and passage in summer, conference committee negotiations in early fall and final approval by the House and Senate before the September 30 end of the fiscal year.
- However, for the past several years, Congress has been unable to pass all twelve bills in time, and has relied in a series of CRs or omnibus bills.
- An omnibus (and sometimes minibuses) can be unwieldy and under-scrutinized compared to the individual twelve bills, but ultimately, they fund the government in the same way individual appropriation bills would.



## FISCAL YEAR 2018 BUDGET AND APPROPRIATIONS

**Continuing Resolution (CR):** Just as Congress came back from August recess facing twelve legislative days before the end of Fiscal Year 2017 funding, President Trump and Democratic leadership struck a deal to fund the government, raise the debt ceiling, and authorize increased disaster aid for three months. On September 7, the Senate voted 80-17, and on September 8, the House voted 319-90 on legislation that includes:

- a CR to keep the government funded at FY17 levels through December 8;
- raising the debt ceiling through December 8;
- authorization for \$15.3 billion for disaster relief (\$7.5 billion is reserved for FEMA), expected to be only a fraction of the funding needed to fully respond to Hurricanes Harvey and Irma; and
- an extension of expiring authorities for the National Flood Insurance Program.

Because it only contains a three-month extension, Congress must revisit the CR and debt ceiling in December.

**Omnibus:** Although a CR is expected to be finalized, the House is aiming to finish up negotiating FY18 by the new December 8<sup>th</sup> deadline through an omnibus FY18 spending bill, created by blending House Appropriations Committee-approved drafts. This week, members have begun offering amendments. Of the 407 amendments already offered, only a handful will likely be included, but some worth watching are:

- **DACA and Deportation:** Congressman Carlos Curbelo (R-FL) offered two amendments backing the Obama administration's DACA program, which offers deferred action on deportation for some undocumented immigrants who came to the U.S. as minors.

Congressmen Steve King (R-IA) and Andy Biggs (R-AZ) offered amendments that would defund the DACA program.

One amendment, co-sponsored by Congressman Pete Aguilar (D-CA), would bar the use of federal funds to change a 2012 Homeland Security memorandum that created the DACA program. Another amendment, co-sponsored by Aguilar and Congressman David Valadao (R-CA), would allow participants in the DACA program to be eligible to work for the federal government.

- **Sanctuary Cities:** Congressman King, Congresswoman Diane Black (R-TN), and Congressman Paul Gosar (R-AZ) submitted amendments that would block federal funds from going to so-called "sanctuary cities" that don't help the federal government enforce immigration laws. Even if one of these amendments made it into the House bill, the Senate would likely challenge this.
- **Marijuana:** Congressman Dana Rohrabacher (R-CA), along with six other Republicans and five Democrats, offered an amendment that would block the Department of Justice from prosecuting the use of medical marijuana in the jurisdictions where it is legal.

The House Rules Committee hasn't said when it will meet to vet the amendments and determine which ones will get floor votes.

### Sanctuary Cities



**Byrne-JAG Grant Restrictions:** The Department of Justice released a notice announcing additional requirements for the Byrne Justice Assistance Grant (JAG) programs. As expected, recipients of Byrne JAG grants will be required to certify compliance with 8 U.S.C. § 1373 that there are no written policies preventing communication with federal law enforcement agencies.

- The statement also says that Byrne JAG grant recipients will be required to allow federal immigration enforcement access to their detention facilities, and provide 48 hours' notice prior to releasing an undocumented immigrant sought by federal authorities. No additional information on how recipients will be asked to demonstrate compliance was given.
- These last two elements are new to Department of Justice grant requirements. The most recent round of COPS grants, the other law enforcement grant program for which sanctuary restrictions have been discussed, required only a certification from the Chief Legal Officer that the city was in compliance with 8 U.S.C. § 1373, concerning communication with federal agencies. The requirement of 48 hours' notice may receive legal challenges, as some courts have ruled that state and local authorities cannot detain individuals not charged with a crime because of federal detainer requests.
- Numerous lawsuits, including from the City of Chicago, the City of San Francisco, and the State of California, have been filed to stop these restrictions. On September 15, a Chicago federal judge granted an injunction, ruling that DOJ cannot withhold Byrne-JAG grants from sanctuary cities.
- Additionally, DOJ announced that COPS grants would be awarded this year with a preference given to applicants who can comply with the same criteria enumerated in the Byrne JAG restrictions. Because DOJ was careful to label this as a preference, and not a restriction, the injunction does not apply to the new COPS grants preference.

#### **Deferred Action for Childhood Arrivals (DACA) Program**

After weeks of the White House alluding to the possibility, Attorney General Jeff Sessions announced on September 6 that President Trump will phase out the Deferred Action for Childhood Arrivals (DACA) program, put in place by the Obama administration in June 2012.

Per the announcement, here's what the new Trump policy would do:

- End the acceptance of new DACA applications immediately.
  - New applications and renewal requests already received by DHS before Tuesday will be reviewed and validated on a case-by-case basis
- Those currently enrolled in DACA will be able to continue working until their permits expire.
  - Those whose permits expire by March 5, 2018, will be permitted to apply for two-year renewals if they do so by October 5.
- Allow deportation or other enforcement measures on former DACA recipients at the end of their permit terms.
  - Senior DHS officials stated that if Congress fails to act and work permits begin to expire, dreamers will not be high priorities for deportations, but they would be issued notices to appear at immigration court if they are encountered by federal immigration officers.

This announcement came despite urging from House Speaker Paul Ryan (R-WI), Senator Orrin Hatch (R-UT), and other lawmakers on both sides of the aisle to keep DACA in place while allowing Congress to address the issue.

- Timing of the announcement comes just as Congress returns from their month-long August recess.



- Congressional Republicans worry that President Trump ending DACA may undercut September negotiations with Democrats to fund the government and raise the debt ceiling, as well as other must-pass legislation to reauthorize the FAA and the National Flood Insurance Program.

**Proposed Legislation:** In late July, just before the month-long summer recess, both House (H.R. 3440) and Senate (S. 1615) legislation was introduced to address DACA. If enacted, the Dream Act of 2017 would:

- Grant current DACA beneficiaries with permanent resident status on a conditional basis.
  - Allow temporary protected status beneficiaries, people without lawful immigration status, and people with final orders of removal the opportunity to apply for this same immigration status.
- Permit conditional permanent residents to obtain lawful permanent resident status ("green card") if they do ALL of the following:
  - Are longtime residents who came to the U.S. as children;
  - Graduate from high school or obtain a GED;
  - Pursue higher education, work lawfully for at least 3 years, or serve in the military;
  - Pass security and law enforcement background checks and pay an application fee;
  - Demonstrate proficiency in the English language and a knowledge of United States history; and
  - Have not committed a felony or other serious crimes and do not pose a threat to our country.
- Provide a pathway to U.S. citizenship.
  - A person would have to be in conditional permanent resident status for 8 years before they could become eligible to apply for lawful permanent resident status, and after a certain period as a lawful permanent resident (probably five years), they could apply for U.S. citizenship.
- Stop the removal proceedings of anyone who meets the Dream Act requirements and young people over 5 years of age who are enrolled in elementary or secondary school.
- Improve college affordability for undocumented youth and other immigrants by changing rules that limit their access to in-state tuition and college loans.

#### **Legislation Outlook:**

- The Dream Act has a good chance of passing both chambers of Congress because it has:
  - Strong Democratic support;
  - A good amount of Republican support; and
  - Support from Republican leadership, who decide which bills receive votes.
- However, if Speaker Ryan passes a bill with majority Democratic support and minority Republican support, he risks angering the GOP for violating party norms.
  - This could also cause a rift among congressional Republicans, since the issue would cause a fight between the hardline conservatives and the moderates within the party.
- Additionally, Congress could wait to take a vote on DACA legislation until the end of the six-month delay.
  - If they do this, they risk the DACA debate becoming embroiled in other political fights, and those putting pressure on lawmakers may lose momentum to urge bill passage.
  - Congress could also try to use the six-month delay to craft a more comprehensive immigration reform proposal that includes a DACA fix, or possibly tie DACA legislation to border wall funding.



- Doing this would be much more controversial than a simple DACA fix, and would likely result in a full-blown immigration fight, the bill dying, and many takes on where to place the blame.

### **Looking Ahead**

Now that a CR and debt ceiling increase has been addressed, Congress will spend the rest of September taking care of other short-term priorities, like extending authorization for the Federal Aviation Administration, and longer-term priorities, like negotiating omnibus FY18 funding bills, a budget resolution that could be a vehicle for tax reform, and a legislative extension for the Deferred Action for Childhood Arrivals program, slated to be sunset in March 2018.



## SB 2 Real Estate Transactions Fee

Annual Estimated Revenue \$229-\$258 million

Year 1 (Through 2018)	State-Administered (50%)	Homelessness Programs	50%
	Locally Administered (50%)	Planning Funds to Streamline Housing	50%
	TOTAL, Year 1		100%
Year 2 and Ongoing (Beginning 2019)	State-Administered (30%)	CalHFA "Missing Middle" Housing Development	15%
		Farmworker Housing	10%
		Incentives to Streamline Housing	5%
	Locally Administered (70%)	Direct Allocation to Entitlement Jurisdictions	58%
		Competitive Funds for Non- Entitlement Jurisdictions	5%
		Direct Allocation to Non- Entitlement Jurisdictions	7%
		TOTAL, Year 2 and Ongoing	

Allocation/Set-Aside	Uses of Funds
Homelessness Programs	Rapid rehousing, rental assistance, navigation centers, emergency shelters, and permanent and transitional housing.
Planning Funds to Streamline Housing	Updates to local planning documents to streamline development. The Governor's Office of Planning and Research will provide technical assistance with 5% of funds.
CalHFA "Missing Middle" Housing Development	Creation of mixed income multifamily residential housing for lower to moderate income households, administered by the California Housing Finance Agency.
Farmworker Housing	Affordable homeownership and rental housing opportunities for agricultural workers and their families.
Incentives to Streamline Housing	State incentive programs to encourage housing development.
Direct Allocation to Entitlement Jurisdictions	Direct allocation to larger "entitlement" jurisdictions under federal Community Development Block Grant (CDBG) program distinctions, for uses below.
Competition for Non-Entitlement Jurisdiction	Competitive funds for smaller "non-entitlement" jurisdictions under federal CDBG program distinctions, for uses below. The state will distribute funds to the most qualified applications.
Direct Allocation to Non-Entitlement Jurisdictions	Direct allocation to smaller "non-entitlement" jurisdictions under federal CDBG program distinctions, for uses below.
Owner-Occupied Workforce Housing	This set-aside will be met across the entire fund beginning in 2019. A separate allocation process is not required.

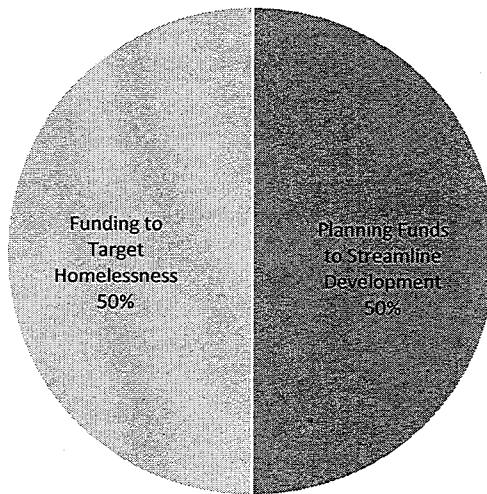
Locally Administered Funds	Eligible Uses
Low-Income Housing	Low-income multifamily housing development; capitalized reserves for permanent supportive housing; acquisition and rehabilitation of foreclosed or vacant homes; accessibility modifications.
Moderate-Income Housing	Home rental and ownership for middle-income families; homeownership opportunities, including down payment assistance.
Homelessness	Rapid rehousing, rental assistance, navigation centers, emergency shelters, and permanent and transitional housing.
Local Matching Funds	Local or regional housing trust funds; Low and Moderate Income Housing Asset Fund.
Incentives	Incentives or matching funds for permitting new housing.

Note: In Year 2 and ongoing, 20% of all funds are required for expenditure on affordable owner-occupied workforce housing

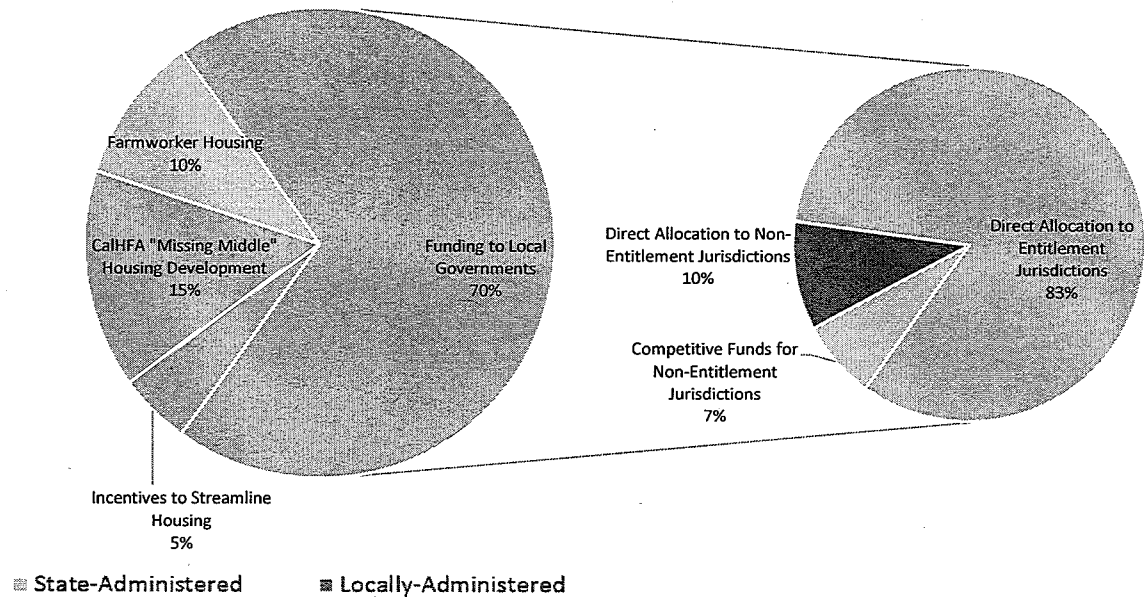


## SB 2 Ongoing Housing Funding Allocations

Year 1



Year 2 and Ongoing



Locally Administered Funds	Eligible Uses
Low-Income Housing	Low-income multifamily housing development; capitalized reserves for permanent supportive housing; acquisition and rehabilitation of foreclosed or vacant homes; accessibility modifications.
Moderate-Income Housing	Home rental and ownership for middle-income families; homeownership opportunities, including down payment assistance.
Homelessness	Rapid rehousing, rental assistance, navigation centers, emergency shelters, and permanent and transitional housing.
Local Matching Funds	Local or regional housing trust funds; Low and Moderate Income Housing Asset Fund.
Incentives	Incentives or matching funds for permitting new housing.

Note: Funds unused for the 5% set aside for Incentives to Streamline Housing revert to the state Multifamily Housing Program at the end of a given fiscal year. The bill's provisions specify funds in other set-asides will revert to this program if unused after 5 years. The Funding to Local Governments follows 2017 federal Community Development Block Grant "Entitlement" and "Non-Entitlement" distinctions and allocation formulas. In Year 2 and ongoing, 20% of all funds are required for expenditure on affordable owner-occupied workforce housing.



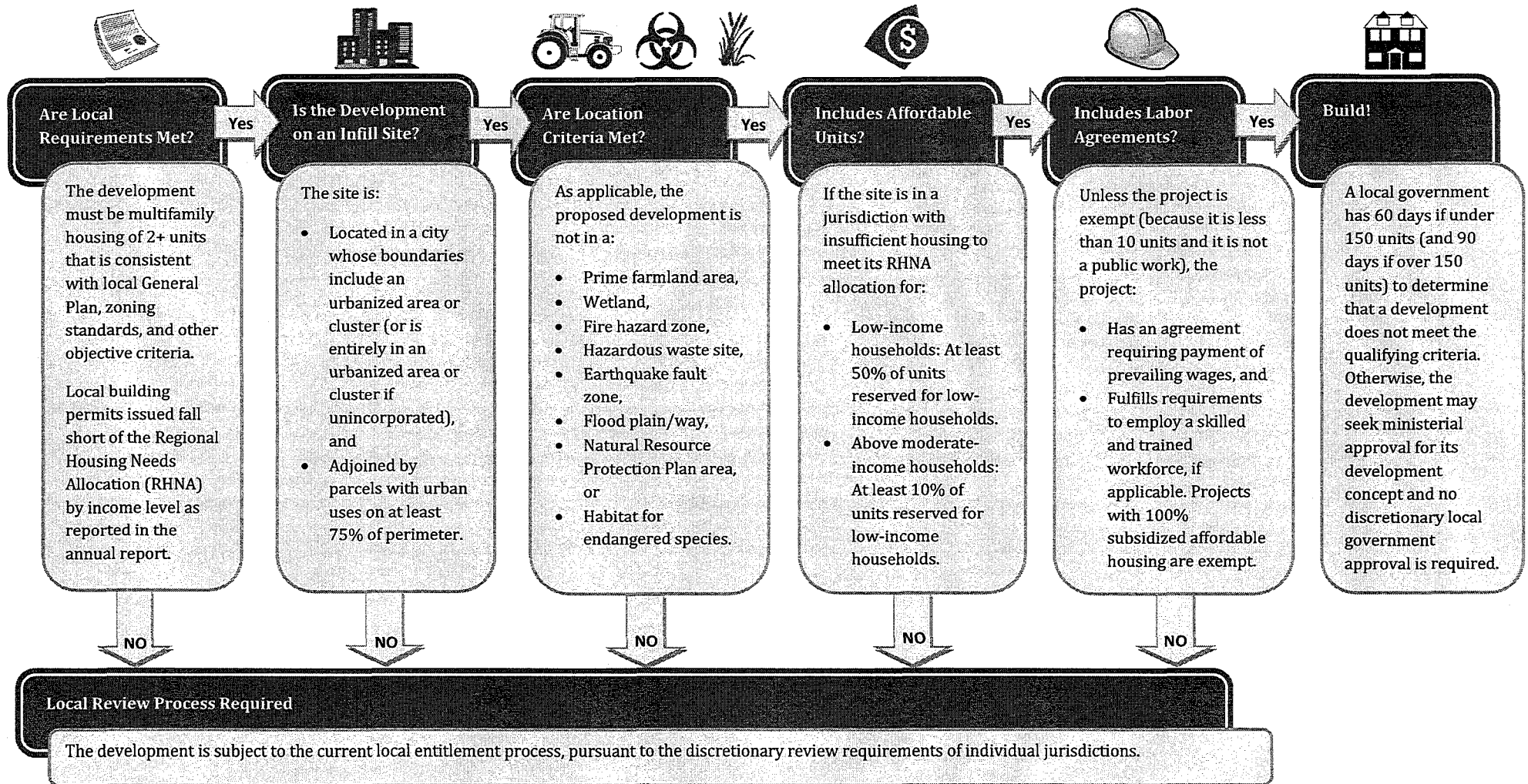
### SB 3 Housing Bond Allocations (mil \$)

	Program	Allocation	Percent of Total
<b>Rental Shortage</b>	MHP	\$1,500	50%
<b>Farmworker</b>	Joe Serna	300	8%
<b>Infrastructure and Incentives</b>	Local Housing Trust Fund	300	8%
	TOD	150	4%
	IIG	300	8%
<b>Homeownership</b>	CalHFA Down Payment Assistance	150	4%
	CalHome	300	8%
<b>Veterans</b>	CalVet Farm and Home Loan	1000	25%
		<b>\$4,000</b>	<b>100%</b>

Program	Description
MHP: Multifamily Housing Program	Affordable housing construction. The state's primary affordable housing program, which is flexible and can be adjusted to target various populations.
Joe Serna: Joe Serna, Jr. Farmworker Housing Grant Program	Construction and rehabilitation of farmworker housing, including rental housing and homeowner grants.
Local Housing Trust Fund	Matching funds for Local Housing Trust Funds, including for pilot programs for innovative, cost-saving approaches to developing affordable housing.
TOD: Transit-Oriented Development	Affordable housing construction in transit priority areas.
IIG: Infill Infrastructure Grant	Construction, rehabilitation, and infrastructure investments in infill areas.
CalHFA Down Payment Assistance	Downpayment assistance to first-time homebuyers, administered by the California Housing Finance Agency.
CalHome	Mortgage assistance for first-time homebuyers; loans for rehabilitation including manufactured homes
CalVet Farm and Home Loan	Downpayment assistance, reduced fees and closing costs, and competitive interest rates for homes, mobilehomes, and farms. Administered by the California Department of Veterans Affairs.



## SB 35 Housing Streamlining Process for Developments with Affordable Housing Units





## SB 35 Housing Streamlining: Labor Provisions

### Prevailing Wage

A project is eligible for streamlining if:

1. The project is a public work subject to prevailing wage requirements, or
2. If the project is not entirely a public work, the project has labor agreements that require prevailing wages to be paid on the entire project.

### Skilled and Trained Workforce

- In order to be eligible for streamlining, a project that is not 100% subsidized affordable housing must also comply with any applicable requirements to employ a skilled and trained workforce.
- Requirements apply within the following areas for only the years indicated:

Project Size (# units)	Non-Coastal or Non-Bay County, Population <550,000	Coastal or Bay County, Population 225,000+
>75	2018-2019	2018-2021
>50	2020-2021	2022-2025
>25	2022-2025	

### Exemption

Projects are exempt from prevailing wage and skilled and trained workforce provisions if:

1. The project is fewer than 10 units in size, and
2. The project is not a public work otherwise subject to prevailing wage requirements.



## 2017-18 Cap and Trade Expenditure Plan

Investment Category	Department	Program	Amount (millions)
Forestry & Natural Resources	Natural Resources Agency	Urban Greening Programs	\$26
	Office of Emergency Services	Grants to fire departments in High Fire Hazard Severity Zones	\$25
	CalFIRE	Forest Fire Prevention & Urban Forestry	\$220
	CalFIRE	Funds for State Fire Prevention Responsibility Areas	\$74.8
	State Coastal Conservancy	<ul style="list-style-type: none"> <li>Climate Ready Programs</li> <li>Funds to California Coastal Commission</li> <li>Funds to SF Bay Conservation and Development Commission</li> </ul>	\$6
	Department of Fish and Wildlife	Wetland Restoration Projects	\$15
Local Climate Action & Research	Strategic Growth Council	Transformative Climate Communities Program	\$10
	Wildlife Conservation Board	Local Climate Adaptation Projects	\$20
	California Conservation Corps	Training and Work Program Administration (SRA Funds Backfill)	\$5.2
	Strategic Growth Council	Grants to Universities for Research on Carbon Emissions Reductions	\$11
AB 617 Implementation & Short-Lived Climate Pollutants	Air Resources Board	AB 617 Implementation Funds: Air Quality Monitoring Program	\$29
	Department of Food and Agriculture	Dairy Digesters and Alternative Manure Management Research	\$99
	Cal Recycle	Waste Diversion	\$40
Energy Efficiency/Renewable Energy	Department of Community Services and Development	Funds for low-income multifamily solar, and farmworker weatherization programs	\$18
	State Energy Resources Conservation and Development Commission	Grants to food processors to implement projects reducing greenhouse gases; Grants for renewable energy projects in the Agriculture Sector	\$66
Mobile Source Emissions	Air Resources Board	Clean freight, zero-emissions incentives, rebates & fleet modernization	\$560
		Carl Moyer incentive funds to local air quality management districts	\$255
		Agricultural vehicle & equipment retrofit rebates & grants	\$85
<b>TOTAL:</b>			<b>\$1.56 Billion</b>