

## **A Frustrating Year for Housing as the Legislative Session Ends on August 31<sup>st</sup>**

2020 was to be the year for housing. But for the most part, it largely fizzled as the legislative session ended on Monday night with only a few key housing bills making their way to the Governor for a hopeful signature.

While many of the bills SV@Home supported at the beginning of the year didn't end up passing, several are still alive, including:

- AB 725 (Wicks)—which ensures that more land is zoned for moderate-income housing
- AB 891 (Grayson)—which clarifies the streamlining provisions under SB 35
- AB 2345 (Gonzalez)—which creates more incentives under density bonus law

Also, as discussed further in the section below, AB 3088, which provides protections for renters impacted by the pandemic not only made it through the legislature with a 2/3rds vote, but was signed by the Governor.

None of the bills included in Senator Atkin's housing package survived. This included SB 1120, which would have allowed duplexes and lot splits in single-family neighborhoods, allowing for very modest increases in density—a policy SV@Home strongly supports. It also included SB 995, a critical bill to SV@Home which would have streamlined the development process for major projects. Even Senator Wiener's SB 899, which would have allowed churches and nonprofits to develop affordable housing, did not make it.

What this means is that we have lots of work ahead of us in 2021, which will be the first year of a two-year session. The Legislature is set to reconvene on December 7<sup>th</sup>; at that time they can introduce new legislation ahead of the new year. There is still a slim possibility that the Governor will call a special session this fall and housing could be a topic. We will keep you informed of future steps as they become clearer.

### **California-wide Eviction Moratorium Update**

On Monday, the state legislature passed and Governor Newsom signed a partial statewide eviction moratorium through February 1, 2021. The bill, [AB 3088](#), will permanently protect pandemic-impacted tenants from eviction based on unpaid rent owed between March and August 31, 2020. However, it does not forgive that rent - landlords will still be entitled to recover the rent owed through small claims court. And, it is important to note that evictions for reasons *other* than nonpayment of rent, such as breaches of the lease agreement, are now allowed to proceed under state law.

A few of the important provisions:

- Tenants affected by COVID-19 will have to pay at least 25% of the total rent due between September 1, 2020 and February 1, 2021 by the February 1st deadline or face eviction.
- Legal protections for tenants were strengthened, including requiring 15 days' notice (rather than the typical three) before beginning an eviction.
- Penalties imposed on landlords who undertake illegal "self help" lockouts were increased tenfold.

An important thing that the bill does *not* do is it does not include the mortgage forbearance for small landlords originally proposed in AB 1436, the previously proposed eviction moratorium that we asked Housers to support last week.

What does this mean for local governments and local moratoriums passed at the city and county levels? AB 3088 supersedes and cancels any new local moratoria or extensions passed between August 19, 2020 and Feb 1, 2021. This means that San José and Mountain View, which passed extensions of their moratoria on August 25, will have those extensions cancelled. Santa Clara County's moratorium, which was extended on August 11, will stay in effect through September 30.

The entirety of AB 3088 will sunset on February 1, 2021 which may be early enough in the state legislative cycle to give the legislature an opportunity to pass legislation to either modify or extend the state-wide moratorium. Several legislators have already characterized the bill as an attempt to extend short-term protections while the state waits for a long-term financial fix from the federal government.

If you would like to learn more about AB 3088, please check out this [thorough article](#) by Matt Levin of CalMatters.