

Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies

Summary of TOC Policy Requirements

A jurisdiction will fulfill the Affordable Housing and Commercial Stabilization requirements by selecting from the menu of options in **Table 3** the policies that best meet local needs. To comply, a jurisdiction must adopt at least:

- **Two policies for each of the “3Ps”**—affordable housing production, preservation, and protection.
- **One policy related to commercial stabilization**, unless the jurisdiction can document there are no potential impacts to small businesses and/or community non-profits.

Appendix B describes each of the policy options in more detail and outlines the specific minimum standards a jurisdiction’s policy must meet to comply with TOC Policy requirements.

Policies may be implemented jurisdiction-wide or may be applicable specifically to the stop/station area (e.g., through an overlay). A jurisdiction may meet the requirements with existing adopted policies or, as needed, adopt new policies by the TOC Policy compliance deadline.

For each of the “3Ps” policies selected to comply with TOC Policy requirements, the jurisdiction must also include a brief explanation for how the policy addresses the jurisdiction’s Regional Housing Needs Allocation (RHNA) and/or other housing needs as identified in the jurisdiction’s Housing Element.

Limits on Selection of Housing Policies to Meet TOC Policy Requirements

As noted in Table 3 and Appendix B, there are two cross-cutting policies that appear in multiple places in the menu of options:

- *Public/Community Land Trusts* can be used to meet the requirement for Production or Preservation policies, but not both.
- *Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities* can be used to meet the requirement for Preservation or Protection policies, but not both.

Table 3: Affordable Housing and Commercial Stabilization Policy Options

	Affordable Housing Production Policy	Affordable Housing Preservation Policy	Affordable Housing Protection and Anti-Displacement Policy	Commercial Stabilization Policy
	Select 2 policies	Select 2 policies	Select 2 policies	Select 1 policy
1.	Inclusionary Zoning	Funding to Preserve Unsubsidized Affordable Housing	“Just Cause” Eviction	Small Business and Non-Profit Overlay Zone
2.	Affordable Housing Funding	Tenant/Community Opportunity to Purchase	No Net Loss and Right to Return to Demolished Homes	Small Business and Non-Profit Preference Policy
3.	Affordable Housing Overlay Zones	Single-Room Occupancy (SRO) Preservation	Legal Assistance for Tenants	Small Business and Non-Profit Financial Assistance Program
4.	Public Land for Affordable Housing	Condominium Conversion Restrictions	Foreclosure Assistance	Small Business Advocate Office
5.	Ministerial Approval	Public/Community Land Trusts ¹	Rental Assistance Program	
6.	Public/Community Land Trusts ¹	Funding to Support Preservation Capacity	Rent Stabilization	
7.	Development Certainty and Streamlined Entitlement Process	Mobile Home Preservation	Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities ²	
8.		Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities ²	Tenant Relocation Assistance	
9.			Mobile Home Rent Stabilization	
10.			Fair Housing Enforcement	
11.			Tenant Anti-Harassment Protections	

Notes:

1. This policy may be used to fulfill either the housing production or preservation requirement, but not both.
2. This policy may be used to fulfill either the housing preservation or protection requirement, but not both.

Additionally, in some cases, a minimum requirement for one housing policy option may overlap with a minimum requirement for a different housing policy option. In these situations, a jurisdiction will only receive credit toward the TOC Policy requirements for one of the overlapping policies and the jurisdiction may elect which policy. As noted in Appendix B, the policies for which this restriction applies are:

- Production Policy 3: Affordable Housing Overlay Zones
- Production Policy 5: Ministerial Approval
- Production Policy 7: Development Certainty and Streamlined Entitlement Process

References to State Laws

In some cases, the descriptions of housing policy options included in the TOC Policy refer to existing state laws. MTC may adjust the requirements for complying with the TOC Policy over time in response to any changes to state law.

Relationship to HCD's Prohousing Program

The California Department of Housing and Community Development has a [Prohousing Designation Program](#) that provides incentives to jurisdictions that have policies to support increased housing production. While there are similarities between the requirements for a Prohousing Designation and the TOC Policy, there is not sufficient consistency between the policy options and other requirements for a jurisdiction that has received the Prohousing designation from HCD to automatically meet TOC Policy requirements for affordable housing production policies.

Table 4 provides information on which Prohousing Designation policies correspond to the affordable housing production policy options for the TOC Policy. If jurisdictions are currently applying for or planning to apply for HCD's Prohousing Designation, they should consider committing to policies in their Prohousing Designation application that would also achieve TOC Policy compliance. Importantly, policies adopted for the Prohousing Designation would also need to meet the minimum requirements detailed in Appendix B of the TOC Policy implementation guidance.

Table 4: Overlap Between HCD Prohousing and TOC Policy Affordable Housing Production Policy Options

Affordable Housing Production Policy Options for TOC Policy	Policy Options for HCD Prohousing Designation
Production Policy 2: Affordable Housing Funding	Category 4A: Establishment of local housing trust funds
	Category 4E: Directed residual redevelopment funds to affordable housing.
	Category 4F: Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source.
	Category 4G: Prioritization of local general funds for affordable housing.
Production Policy 3: Affordable Housing Overlay Zones	Category 1D: Density bonus programs which exceed statutory requirements by 10 percent or more.
Production Policy 4: Public Land for Affordable Housing	Category 4C: A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to lower income households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.
Production Policy 5: Ministerial Approval	Category 2A: Establishment of ministerial approval processes for a variety of housing types, including single-family and multifamily housing.
Production Policy 7: Development Certainty and Streamlined Entitlement Process	Category 2D: Establishment of permit processes that take less than four months.
	Category 2E: Absence or elimination of public hearings for projects consistent with zoning and the general plan.
	Category 2F: Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan.
	Category 2L: Limitation on the total number of hearings for any project to three or fewer.