Up-to-date Information on Real Estate, Land Use & Environmental Law



California Housing Legislation (2017-2018)				
Bill Number and Name	Author	Key Provisions		
AB 72 – State Housing Code Enforcement	Santiago	 Requires local agencies to comply with the programs, actions and policies in adopted Housing Elements. Provides California Department of Housing and Community Development (HCD) with new authority to review any action (or failure to act) by a city or county that it determines to be inconsistent with local housing elements or state housing law. HCD may refer cases to the Attorney General for legal action. 		
AB 246 – Environmental Quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2011	Santiago	 Increases the certification requirements for projects seeking certification under the Jobs and Economic Improvement Through Environmental Leadership Act (ELDP). Projects must now: Be certified to LEED gold or better; Have a transportation efficiency of 15% greater than comparable projects; and Demonstrate compliance with commercial and organic waste recycling. Modifies the length of judicial review of a challenged ELDP project from a guaranteed 270 days to 270 days to the extent feasible. Effective until January 1, 2021. 		
AB 678/SB 167 – Housing Accountability Act	Bocanegra	 Increases a developer's ability to secure approval of housing developments by raising the standard of proof required for local agencies to disapprove or conditionally approve emergency shelters or very low, low, or moderate-income housing development. Requires local agencies that find a project inconsistent with an applicable plan, policy, or standard to provide the applicant with written documentation identifying the relevant provision and inconsistency findings. A housing organization may request attorney's fees and costs if they prevail in an action to enforce the Act. 		
AB 1505 – Land Use: Zoning Regulations	Bloom	 Revives the power of cities and counties to impose inclusionary housing requirements on developers. Cities and counties may require applicants to provide a certain percentage of affordable units in new rental housing developments as a condition of approval. 		

SheppardMullin

Bill Number and Name	Author	Key Provisions
AB-1804 – California Environmental Quality Act: Exemption for Residential or Mixed-Use Housing Projects	Berman	 Establishes a new CEQA exemption for residential or mixed-used housing projects located within unincorporated areas. The qualifications are similar to those in the Class 32 Categorical Exemption. The bill aims to expedite housing development in unincorporated areas that are surrounded by urbanized land uses. To be eligible, projects must: Be consistent with applicable general plan designation and policies and zoning designations and regulations; Have a residential density not less than the greater of the following: The average density of the residential properties that adjoin, or are separated by a road from the perimeter of the project site, if any. The average density of the residential properties within 1,500 feet of the project site. Six dwelling units per acre. Be located in unincorporated areas of a county on a project site no more than five acres and substantially surrounded by qualified urban uses; Have no value as a habitat for endangered, rare, or threatened species; Not result in any significant effects related to transportation, noise, greenhouse gas emissions, or water quality; Be adequately served by all required utilities and public services; and Be located on a site that is a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster. The exceptions to this exemption are the same for CEQA categorical exemptions (e.g., cumulative impacts, unusual circumstances, historic resources, dirty sites, etc.)
AB-2162 – Supportive Housing Streamlining Act	Chiu	 Streamlines approvals of supportive housing developments, i.e., housing which is occupied by persons who have low incomes, and who have disabilities, mental illness, HIV or AIDS, or another chronic health condition. Local agencies must allow supportive housing development to be a by-right use in zones that permit multifamily and mixed uses. Projects processed under this Act are exempt from CEQA as ministerial approvals. Zero parking requirements if the supportive housing development is located within one-half mile of a public transit stop. Developers may still seek incentives and concessions under Density Bonus Law.
AB-2372 – Planning and Zoning: Density Bonus: Floor Area Ratio Bonus	Gloria	 Seeks to create additional housing units by allowing cities and counties to establish a procedure to allow developers to calculate the number of potential units and fees based on the square footage rather than units per acre. An "eligible housing development" is a development that meets specified criteria related to residential use or mixed use, location, zoning, replacement of units, and affordability, including: Five or more residential units; Located on an urban infill site within a transit priority area, or one-half mile of a major transit stop; and At least 20 percent affordable housing. For eligible housing developments, cities and counties shall not impose any parking requirements in excess of 0.1 parking spaces per unit for units affordable to persons and families with a household income equal to or less than 120 percent of the area median income and 0.5 parking spaces per unit for market-rate units.

SheppardMullin

Bill Number and Name	Author	Key Provisions
AB-2797 – Planning and Zoning: Density Bonuses	Bloom	 Revises Density Bonus Law in response to Kalnel Gardens, LLC v. City of Los Angeles (2016) 3 Cal.App.5th 927. Existing law states that the Coastal Act supersedes Density Bonus Law. The changes allow an applicant to receive all concessions, incentives and bonuses allowed to the extent they are consistent with the rules and requirements of the Coastal Act.
AB 3194 – Housing Accountability Act: Project Approval	Daly	 Provides that a housing development for very low, low or moderate-income households will not require rezoning if the housing development is consistent with the objective general plan standards and criteria but the zoning for the project site is inconsistent with the general plan. Requires that the local agency permit development at the density allowed on the site by the general plan provided that the development is consistent with the objective standards and criteria of the zoning.
SB 35 – Planning and Zoning: Affordable Housing: Streamlined Approval Process	Weiner	 Provides streamlined approval for certain projects. Eligible projects must meet the following requirements: - Two or more dwelling units; - Located in an urbanized area and surrounded by at least 75% of urban uses; - On a site designated residential or mixed-use residential; - In a city that has prepared a regional housing needs assessment report and found in need of either moderate housing (120% of AMI) or affordable housing (80% of AMI or below); and - Provide at least 50% of units affordable to low income households or below (80% of AMI or below). Benefits of SB 35: - Ministerial site plan review process; - No parking required for projects within one-half mile of public transit, in and architecturally and historic district, on a street where on-street parking permits are required or where a car share vehicle location is within one block of the project; and - Three year life for entitlements. SB 35 excludes certain projects (e.g., projects that seek to demolish housing that is subject to any form of rent or price control, demolish housing occupied by tenants within the past 10 years, demolish structures placed on a national, state, or local historic register, etc.). Developers must pay construction workers prevailing wages to be eligible for streamlining under SB 35.
SB 540 – Workforce Housing Opportunity Zone	Roth	 Authorizes a local government to establish a Workforce Housing Opportunity Zone through the adoption of a qualified specific plan and preparation of an EIR. The intent is to allow agencies to identify priority housing areas that would benefit from having long-range planning, public hearings and environmental review occur on the front end. Provides streamlining for the first five years. Once the zone is adopted, a new development does not have to prepare an EIR or negative declaration if the project complies with the specific plan, includes the required amount of very low, low, moderate and medium-income housing units, and is constructed using prevailing wages. An agency may renew the EIR after the first five years, but the criteria for subsequent and supplemental EIRs will apply. 50% of the total housing units must be affordable to individuals at or below moderate incomes, and 10% of the total units must be allocated to lower income individuals. To support the Workforce Housing Opportunity Zone, local governments may apply to HCD for a grant or a no-interest loan.

SheppardMullin

Bill Number and Name	Author	Key Provisions
SB 765 – Planning and Zoning: Housing	Wiener	 Aims to "clean up" SB 35. Clarifies that local governments are prohibited from imposing automobile parking standards for a streamlined development. Clarifies CEQA does not apply to projects where public land will be used to construct a homeless shelter, or in instances where public agencies will provide financial assistance to construct a homeless shelter. Clarifies CEQA does not apply to an action taken by a public agency to lease, convey, or encumber land owned by the public agency or to facilitate the lease, conveyance, or encumbrance of land owned by the public agency for a development approved for streamlined approval to be used for housing for persons and families of very low, low, or moderate income. Provides that if a development is subject to the Subdivision Map Act and prevailing wage requirements, but will receive tax credits, the application under the Subdivision Map Act will be exempt from CEQA. A residential or mixed-use development can qualify for a streamlined, ministerial approval process and will not be subject to a conditional use permit if the development meets certain criteria.
SB 850 - Housing	Committee on Budget and Fiscal Review	 Establishes the Homeless Emergency Aid Program (HEAP), a one-time flexible grant fund designed to provide cities and counties with direct assistance to address homelessness challenges in areas where a shelter crisis is declared. These funds can be used for different purposes, including emergency shelters, bridge housing, motel vouchers and supportive housing. Establishes the California Emergency Solutions and Housing Program which appropriates HUD funds for projects based on program criteria that HCD will develop. Requires a skilled and trained workforce to be used if the development is approved between January 1, 2020, and December 31, 2021, and consists of more than 50 units that are not 100% subsidized affordable housing. Requires a skilled and trained workforce to be used if the development is approved between January 1, 2022, and December 31, 2025 and consists of more than 25 units that are not 100% subsidized affordable housing. CEQA does not apply to a government agency action that provides financial assistance for a streamlined approval of a housing development for persons and families of very low, low, or moderate income.
SB 1227 - Density Bonuses	Skinner	 Aimed to increase the amount of affordable student housing units. Requires a city or county to provide density bonus incentives for qualified student housing developments. Developments must provide (1) at least 20% of the units must for lower income students; and (2) priority for students experiencing homelessness. Requires a recorded affordability restriction of 55 years. Applicants may seek a 35% density bonus for the remaining units.
SB 1333 – Planning and Zoning: General Plan: Zoning Regulations	Wieckowski	 Reduces the authority of charter cities to control local zoning and development decisions related to Housing Elements of the General Plan. The Legislature reacted to The Kennedy Commission v. City of Huntington Beach (2017) 17 Cal. App.5th 229 where the court held that charter cities are permitted to adopt specific plans that are inconsistent with housing elements and eliminate sites zoned for affordable housing. Specifies Planning and Zoning Law sections regarding ordinances, regional housing need, mobile home parks and certain development agreements apply to charter cities.

For More Information Contact:



Alfred Fraijo Jr. T: 213.617.5567 afraijo@sheppardmullin.com



Lauren Chang T: 213.617.5588 Ichang@sheppardmullin.com