



GOVERNMENT  
RELATIONS

DATE: November 10, 2023

TO: Honorable Mayor and City Council  
Matt Huffaker, City Manager  
City of Santa Cruz

## **Overall Assessment of the Shift in Housing Decision-Making from Local Government to the State of California**

On September 14th, the California Legislature wrapped up the first year of a two-year legislative session, with several dozen housing bills sent to the governor's desk for his signature. Drawing the most public attention was [Senate Bill \(SB\) 423](#) (Wiener), which would extend and expand Senator Wiener's 2017 housing streamlining law, [SB 35](#). Legislation was also passed aiming to curtail the use of the California Environmental Quality Act (CEQA) to stop or delay new housing construction on the basis of new residents' actions being classified as "pollution" and impactful to the environment. In addition, the Legislature passed a number of bills authorizing statewide ballot measures related to housing, potentially giving California voters a chance to weigh in at the ballot box in 2024. There were also several bills that received less attention that, if passed, will create meaningful changes on topics such as accessory dwelling units (ADUs), state density bonus law, and tenant protections.

This commentary from the UC Berkeley's Turner Center (as modified) briefly summarizes key bills that were signed into law as well as key bills that may be pursued next year as part of the two-year Session.

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## **Efforts to Facilitate More Affordable and Moderate-Income Housing Production**

The Legislature has continued its remarkable run over the last several years of providing developers of deed-restricted affordable housing ever more flexibility to exceed or override local zoning, greater certainty on the timing and likelihood of planning approvals, and substantial relief from CEQA review and litigation.

[SB 4](#) (Wiener) streamlines affordable housing on lands owned by faith-based organizations and non-profit institutions of higher education. A [recent study](#) by the Turner Center identified approximately 171,000 acres of land across the state that may be well-positioned for affordable housing development under SB 4.

As mentioned above, SB 423 (Wiener) extends and expands the applicability of SB 35, which was passed in 2017 and was scheduled to sunset in 2026. SB 35 has facilitated the approval or application process for over 18,000 new homes between 2018 and 2021, the large majority of which are affordable housing units. SB 423 would expand applicability to the California Coastal Zone, and would create new labor standards for mixed-income projects. Building on a successful San Diego program, [AB 1287](#) (Alvarez) modifies state Density Bonus law to allow developers to apply for a moderate-income density bonus in cases when the developer has already included the maximum number of low- or very-low income units in the proposed development. [SB 684](#) (Caballero) facilitates the subdivision of multifamily zoned parcels of five acres or less into up to ten for-sale lots, including by relaxing CEQA requirements, expediting permitting timelines, and mandating decision-making within 60 days.

[AB 1490](#) (Lee) incentivizes affordable housing [adaptive reuse](#) projects by mandating expedited permit approval times and lowered energy bills. [AB 1449](#) (Alvarez & Wicks) exempts 100 percent affordable housing developments from CEQA review provided the projects meet specific criteria including adhering to labor standards.

[SB 439](#) (Skinner) curbs the potential for lawsuits against proposed housing including under CEQA by creating a special motion to strike a challenge to the approval or permitting of an affordable housing development. Influenced by the appeals court decision that the University of California at Berkeley failed to consider noise generated by students and visitors as an environmental impact and thus halting proposed housing development on People's Park, [AB 1307](#)(Wicks) stipulates that the impacts of noise generated by students and visitors are not significant environmental impacts. While the specific People's Park case will still go to the California Supreme Court for review, this bill will further alleviate public universities' obligation to explore alternative project locations in environmental impact reports if specified requirements are met.

[SB 469](#) (Allen) reforms Article 34, a provision in the California Constitution that was authorized by the voters in 1954 to limit the creation of new affordable housing by mandating that a local election be held to approve new publicly-funded affordable housing. The law aims to increase the number of projects that can bypass voter approval, as long as the affordable housing development includes certain types of departmental funding or tax credits aimed at creating affordable housing.

## **Legislation to Enhance Enforcement of State Housing Laws**

Several bills enhance or clarify enforcement authority of different state housing laws. [AB 1633](#) (Ting) amends the Housing Accountability Act to clarify that it is a violation for a local jurisdiction to deny or withhold an environmental clearance to which an urban infill housing development is entitled without substantial evidence justifying additional environmental study. [AB 434](#)(Grayson) reduces the California Department of Housing and Community Development (HCD)'s review period for locally approved housing elements or amendments from 90 days to 60 days. And it provides HCD with express authority to enforce housing statutes including: [SB 6](#) (2022), [SB 9](#) (2022), [AB 1218](#) (2023), [SB 4](#) (2023), and [SB 684](#) (2023). [AB 1485](#) (Haney) would expand the authorities of both HCD and the office of the Attorney General to have the unconditional

right to represent the state in any legal action addressing a violation of specified housing laws by local governments.<sup>1</sup>

[AB 821](#) (Grayson) creates a notification process and time limit of 180 days for jurisdictions to align their zoning code with the land use element of the general plan when there is a live project application. The bill would also build on existing law that applies to projects that are at least two-thirds residential, to allow mixed-use and other projects to proceed if the city's zoning code is inconsistent with its housing element. [AB 281](#) (Grayson) stipulates that special districts (e.g., sewer, water, and power utilities) conform to certain timeframes, analogous to those set for cities and counties, for the review of post-entitlement permit applications from housing developers. [SB 567](#) (Durazo) strengthens protections established in [AB 1482](#) (2019) for renters facing evictions for renovations or landlord move-in.

### **Additional Notable Bills**

The Legislature has passed additional bills aiming to enhance housing affordability and availability, covering areas such as studying different housing systems, land usage, parking reforms, and tax exemptions for affordable housing.

[SB 555](#) (Wahab) mandates that HCD undertake a study on social housing and how it could help local housing supply. [AB 835](#) (Lee) instructs the California State Fire Marshal to explore and formulate standards for single-exit, single stairway apartment houses in buildings exceeding three stories in order to reduce costs otherwise associated with construction of multiple staircases.

[AB 84](#) (Ward) improves access to the welfare property tax exemption for affordable housing developments that utilize 501(c)3 bonds, including by allowing such a property to continue to receive the welfare exemption when a household's income increases following initial occupancy, up to a maximum of 100 percent of the area median income. [AB 12](#) (Haney) would limit allowable security deposit requirements for certain apartments to a maximum of one month's rent.

The Legislature also passed measures that build on statewide parking reform, an issue found to increase the cost to build housing [by up to \\$36,000 per unit](#). [AB 894](#) (Friedman) would require agencies to allow property owners to share underutilized parking and to count such shared parking toward meeting local parking requirements. [AB 1317](#) (Wendy Carrillo) requires owners to unbundle parking from the price of rent in certain residential properties.

[AB 1332](#) (Juan Carrillo) requires that local governments create pre-approved plans or provide private entity lists of pre-approved designs for ADUs, replicating [a best practice](#) currently employed only in a few California cities and counties.

[AB 976](#) (Ting) permanently disallows owner occupancy requirements on ADUs. [AB 1033](#) (Ting) grants authorization to local governments to allow ADUs to be sold separately from the primary residence, allowing [ADUs](#) in California to become an option for entry-level homeownership opportunities.

## **Looking Ahead to 2024**

This coming March, California voters will have the opportunity to vote on the Behavioral Health Services Act Bond ([AB 531 Irwin](#), [SB 326 Eggman](#)), a \$6.38 billion General Obligation bond to fund new mental health treatment and permanent supportive housing units. The bond would be funded as an allocation from ongoing income tax proceeds from the Mental Health Services' "millionaire's tax", passed in 2004.

In November 2024, voters will decide on at least two housing-related ballot propositions set forward by the Legislature. [ACA 1](#) (Aguiar Curry) seeks to make it easier for local governments to impose taxes to fund certain housing and transportation projects by lowering the threshold to approve special taxes and bonds from two-thirds to 55 percent. [SCA 2](#) (Allen) would repeal Article 34, a provision in the state constitution that limits the creation of new affordable housing by mandating that a local election be held to approve new publicly-funded affordable housing.

Three proposed ballot initiatives have become two-year bills and have not yet passed the Legislature. First, the Affordable Housing Bond Act of 2024 ([AB 1657](#), Wicks) would issue \$10 billion worth of general obligation bonds to fund affordable rental housing and homeownership programs. Second, [SB 834](#) would enact the California Family Home Construction and Homeownership Bond Act of 2023 (bond act), which, if adopted, would authorize the issuance of bonds in the amount of \$25,000,000,000 pursuant to the State General Obligation Bond Law to finance the California Family Home Construction and Homeownership Program. Third, the Community College Public Education Facilities Bond Act of 2024 (passed as [AB 247](#) (Muratsuchi) and [SB 28](#) (Glazer)) seeks to place a \$15.5 billion bond to fund school facilities. The bond measure is intended to alleviate increasing impact fees that are imposed by school districts on new housing developments to pay for school facilities.

In addition, several other pieces of legislation have become two-year bills. [SB 450](#) (Atkins) would amend provisions of [SB 9](#) (2022), and would require 60-day local approvals for projects proposing to subdivide single-family homes or lots. It would also disallow cities from imposing differing design standards on new units compared to the existing standards and zoning in the surrounding area.

[AB 68](#) (Ward) would present new streamlining options for infill development and aims to address climate resiliency considerations in new housing developments. [AB 1630](#) (Garcia) would prohibit denials for student housing within proximity to university campuses for zoning purposes, and [SB 440](#) (Skinner) would empower local governments to join forces to create regional housing finance agencies to address the unique affordable housing needs in their communities. [SB 7](#) (Blakespear) would require the regional housing needs assessment (RHNA) to include homelessness as an income category for local housing element planning purposes, and to require each city and county to develop a plan to provide housing opportunities for each person experiencing homelessness within its jurisdiction. [AB 799](#) (L. Rivas) would require the California Interagency Council on Homelessness to establish and regularly update a financing plan such that the state could end homelessness by 2035.

## **Conclusion**

2023's slate of new housing laws affirms the Legislature's and the governor's continued interest in finding new solutions for California's housing crisis. Since 2016, Governors Brown and Newsom have signed into law over 100 bills specific to housing, though it is not yet clear what impact these laws will have on the state's ongoing supply, affordability, and homelessness challenges. In 2024, we are likely to see a similar level of engagement on issues of housing and homelessness.

california legislature  
**senate housing committee**  
senator scott wiener, chair

**2023**  
**legislative bill summary**





CALIFORNIA LEGISLATURE

# **Senate Housing Committee**

## **Senator Scott Wiener, Chair**

For the City of Santa Cruz  
As curated by The Gualco Group, Inc.  
November 8, 2023

### **2023 Legislative Bill Summary**

## INTRODUCTION

This publication is a comprehensive collection of summaries for bills that the Senate Housing Committee considered during the 2023 legislative year. This report also contains summaries for legislation that the consultants for the Senate Housing Committee deem worthy of the committee's attention, yet were never assigned. This includes bills that never made it out of the Assembly as well as bills that were assigned to other policy committees.

Each summary includes the final status of the bill. Bills that list a committee but no further action are considered two year bills and can be taken up in 2024.

For your convenience, chapter numbers of bills that the Legislature passed and the Governor signed into law are listed. Messages from the governor, either vetoing or signing a measure, are also included.

In general, chaptered legislation will go into effect on January 1, 2024. Bills that contain an urgency clause took effect immediately upon the governor's signature.

### **Committee Staff**

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## ABBREVIATIONS

The Committee uses the following abbreviations throughout this summary:

<b>ADU</b>	Accessory Dwelling Unit
<b>BCSH</b>	Business, Consumer Services and Housing Agency
<b>CalHFA</b>	California Housing Finance Agency
<b>Cal-ICH</b>	Interagency Council on Homelessness
<b>CBSC</b>	California Building Standards Commission
<b>CDLAC</b>	California Debt Limit Allocation Committee
<b>CEQA</b>	California Environmental Quality Act
<b>DGS</b>	California Department of General Services
<b>HCD</b>	California Department of Housing and Community Development
<b>HHAPP</b>	Homeless Housing, Assistance, and Prevention Grant Program
<b>HOA</b>	Homeowners Association
<b>JADU</b>	Junior Accessory Dwelling Unit
<b>LIHTC</b>	Low Income Housing Tax Credit
<b>RHNA</b>	Regional Housing Needs Allocation
<b>SLA</b>	Surplus Land Act
<b>TCAC</b>	California Tax Credit Allocation Committee

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## Accessory Dwelling Units

### [AB-671 \(Ward\) - CalHome Program: accessory dwelling units.](#)

Revises the CalHome program to allow for greater flexibility in grant funding and to update resale requirements of units developed under the program.

**Status:** Chapter 746, Statutes of 2023

### [AB-932 \(Ting\) - Accessory dwelling units: Accessory Dwelling Unit Program: reports.](#)

Requires CalHFA to conduct an analysis of its ADU program and report its findings to the Legislature by January 1, 2025.

**Status:** Chapter 169, Statutes of 2023

### [AB-976 \(Ting\) - Accessory dwelling units: owner-occupancy requirements.](#)

Makes permanent the existing prohibition on local government's ability to require owner-occupancy on a parcel containing an ADU.

**Status:** Chapter 751, Statutes of 2023

### [AB-1033 \(Ting\) - Accessory dwelling units: local ordinances: separate sale or conveyance.](#)

Allows cities and counties that have a local ADU ordinance to allow ADUs to be sold separately or conveyed from the primary residence.

**Status:** Chapter 752, Statutes of 2023

### [AB-1332 \(Juan Carrillo\) - Accessory dwelling units: preapproved plans.](#)

Requires local governments to create a program for the pre-approval of ADUs.

**Status:** Chapter 759, Statutes of 2023

## Building Standard

### [SB-597 \(Glazer\) - Building standards: rainwater catchment systems.](#)

Requires HCD to research and develop, and authorizes HCD to propose to the CBSC, recommendations for building standards related to the installation of rainwater catchment systems for newly constructed residential dwellings.

**Status:** Assembly – Appropriations Committee

### [SB-745 \(Cortese\) - The Drought-Resistant Buildings Act.](#)

Requires CBSC and HCD to develop and propose new mandatory building standards related to water efficiency.

**Status:** Chapter 884, Statutes of 2023

### **AB-42 (Ramos) - Tiny homes: fire sprinkler requirements.**

Prohibits, until January 1, 2027, a local agency from imposing or enforcing a requirement to provide fire sprinklers in temporary sleeping cabins, as defined, for people experiencing or at-risk of homelessness if certain conditions are met.

**Status:** Chapter 725, Statutes of 2023

### **AB-548 (Boerner) - State Housing Law: inspection.**

Requires local enforcement agencies to develop policies and procedures for inspecting multiple units in a building if an inspector or code enforcement officer has determined that a unit in that building is substandard or is in violation of state habitability standards.

**Status:** Chapter 744, Statutes of 2023

### **AB-1490 (Lee) - Affordable housing development projects: adaptive reuse.**

Makes an affordable housing project that adaptively reuses an existing building an allowable use under specified conditions, and limits the local government from imposing specified requirements, notwithstanding any inconsistencies between the project and any local plans, zoning, or regulations.

**Status:** Chapter 764, Statutes of 2023

## **California Environmental Quality Act - Statutory Exemptions and Expedited Approvals**

### **SB-270 (Wiener) - California Environmental Quality Act: university housing development projects: exemption.**

Replaces the requirement that, for a higher education institution to utilize a particular CEQA exemption, a building be certified as Leadership in Energy and Environmental Design (LEED) Platinum with a requirement that it achieve a LEED Gold score of 79 or better.

**Status:** Senate – Appropriations Committee

### **SB-406 (Cortese) - California Environmental Quality Act: exemption: financial assistance: housing.**

Establishes an exemption from CEQA for actions taken by a local agency to provide financial assistance or insurance for low- and moderate-income residential housing.

**Status:** Chapter 150, Statutes of 2023

### **AB-1307 (Wicks) - California Environmental Quality Act: noise impact: residential projects.**

For purposes of residential projects reviewed under CEQA, provides that the effects of noise generated by occupants and guests on human beings is not a significant effect on the environment. Further provides that public universities are not required, in an environmental impact report prepared for a residential or mixed-use housing project, to consider alternatives to the location of the project if specified requirements are met.

**Status:** Chapter 160, Statutes of 2023

### **AB-1449 (Alvarez) - Affordable housing: California Environmental Quality Act: exemption.**

Exempts certain housing affordable housing projects from CEQA, as specified.

**Status:** Chapter 761, Statutes of 2023

### **AB-1633 (Ting) - Housing Accountability Act: disapprovals: California Environmental Quality Act.**

Provides that a disapproval under the Housing Accountability Act includes a local agency's failure to make a determination of whether a project is exempt from CEQA, abuse of discretion, or failure to adopt certain environmental documents under specified circumstances, and makes several other changes, until January 1, 2031.

**Status:** Chapter 768, Statutes of 2023

## **Common Interest Developments**

### **AB-572 (Haney) - Common interest developments: imposition of assessments.**

Caps annual increases in regular assessments on deed-restricted affordable housing units in HOAs, as specified, at 5% (plus the percentage change in the cost of living, not to exceed 10%) greater than the preceding regular assessment, for HOAs that record their original declaration on or after January 1, 2025.

**Status:** Chapter 745, Statutes of 2023

### **AB-648 (Valencia) - Common interest developments: procedures: meetings by teleconference.**

Authorizes an HOA to conduct a board or member meeting entirely by teleconference without any physical location, if certain conditions are met.

**Status:** Chapter 203, Statutes of 2023

### **AB-1458 (Ta) - Common interest developments: association governance: member election.**

Authorizes a lower quorum requirement for common interest development association elections of directors under specified circumstances.

**Status:** Chapter 303, Statutes of 2023

## **Constitutional Amendments**

### **ACA-1 (Aguiar-Curry) - Local government financing: affordable housing and public infrastructure: voter approval.**

Allows a city, county, or special district, with 55% voter approval, to incur bonded indebtedness or impose specified special taxes to fund projects for affordable housing, permanent supportive housing, or public infrastructure, as specified.

**Status:** Chapter 173, Statutes of 2023

### **ACA-13 (Ward) - Voting thresholds.**

Requires an initiative constitutional amendment to comply with any increased voter approval threshold that it seeks to impose on future ballot measures. Guarantees in the state constitution the ability of local governments to submit advisory questions to voters.

**Status:** Assembly – Desk

## **Homelessness**

### **SB-482 (Blakespear) - Multifamily Housing Program: supportive housing: capitalized operating reserves.**

Requires HCD to offer capitalized operating reserves to supportive housing units developed under the Multifamily Housing Program.

**Status:** Chapter 780, Statutes of 2023

### **AB-42 (Ramos) - Tiny homes: fire sprinkler requirements.**

Prohibits, until January 1, 2027, a local agency from imposing or enforcing a requirement to provide fire sprinklers in temporary sleeping cabins, as defined, for people experiencing or at-risk of homelessness if certain conditions are met.

**Status:** Chapter 725, Statutes of 2023

### **AB-129 (Committee on Budget) - Housing.**

Contains the statutory changes necessary to implement the various housing-related provisions of the Budget Act of 2023, including:

- (1) Provides, until January 1, 2034, that land that is subject to a sectional planning area is not subject to specified requirements for the disposal of “exempt surplus land” if specified conditions are met and requires DGS to include in its annual report the status of development on that land;
- (2) Requires an exempted parcel or parcels in the Middle Class housing Act of 2022 (SB 6, Caballero, Chapter 659, Statutes of 2022) to be subject to an ordinance that allows for development by-right for a local agency to reallocate the residential density from an exempt parcel; Authorizes a local government to exempt a parcel from the Affordable Housing and High Road Jobs Act (Act) of 2022 (AB 2011, Wicks, Chapter 647, Statutes of 2022) by an ordinance adopted to implement its provisions before a development proponent submits a development application and if specified requirements are met;
- (3) Authorizes Cal-ICH to administer round 5 of HHAPP, which requires applicants to apply as part of a region and to be signatory to a Cal-ICH approved regionally coordinated homelessness action plan; requires HHAPP grantees, on or before January 31, 2026, to submit an updated regionally coordinated homelessness action plan that includes updates on the metrics and corresponding key actions carried out, as applicable;
- (4) Requires DGS to update a digitized inventory of all excess state land suitable for affordable housing after the conclusion of its review of all state-owned property.
- (5) Makes other technical changes to housing programs.



**Status:** Chapter 40, Statutes of 2023

**[AB-257 \(Hoover\) - Encampments: penalties.](#)**

Makes it a crime to camp on any street, sidewalk, or other public property within 500 feet of a school, daycare, playground or youth center.

**Status:** Assembly – Public Safety Committee

**[AB-1285 \(Wicks\) - Homeless Housing, Assistance, and Prevention program and Encampment Resolution Funding program.](#)**

Requires continuums of care that share geographic boundaries with a city or county using state funding allocated pursuant to round five of HHAPP or the Encampment Resolution Program funding to additionally include in their regionally coordinated homelessness action plans evidence and an explanation of their collaboration with the city or county that specifies how people served through encampment resolution have or will be included in prioritization for permanent housing within coordinated entry systems.

**Status:** Chapter 727, Statutes of 2023

**[AB-1377 \(Friedman\) - Homeless Housing, Assistance, and Prevention Program: Round 3.](#)**

Requires applications or planning materials for state funding through HHAPP appropriated on or after July 1, 2024, to include data and a narrative summary quantifiable steps that the applicant has taken to improve the delivery of housing and services to people experiencing homelessness or at-risk of homelessness on transit facilities owned and operated by a transit agency.

**Status:** Chapter 728, Statutes of 2023

**[AB-1734 \(Jones-Sawyer\) - Local Government: Surplus Land Act: exemptions.](#)**

Exempts certain housing and homelessness projects from SLA in local agencies that have declared a local homelessness emergency and meet other requirements.

**Status:** Chapter 769, Statutes of 2023

## **Housing Elements**

**[SB-7 \(Blakespear\) - The Homeless Housing Obligation Act.](#)**

Requires RHNA to include homeless as an income category for local housing element planning purposes, and enact the Homeless Housing Obligation Act, which requires each city and county to develop a housing obligation plan to provide housing opportunities for each homeless person within its jurisdiction by January 1, 2030, as specified. The bill also requires HCD to develop and administer a new program, upon appropriation of funding by the Legislature, to provide grants to cities, counties, and nonprofit housing entities to fulfill the obligations to provide housing opportunities for homeless persons.

**Status:** Senate – Appropriations Committee

## Land Use and Zoning

### **SB-4 (Wiener) - Planning and zoning: housing development: higher education institutions and religious institutions.**

Establishes the Affordable Housing on Faith and Higher Education Lands Act of 2023, which, until January 1, 2036, enables 100% affordable housing to be a use by-right on land owned by religious institutions and independent institution of higher education.

**Status:** Chapter 771, Statutes of 2023

### **SB-7 (Blakespear) - The Homeless Housing Obligation Act.**

Requires RHNA to include homeless as an income category for local housing element planning purposes, and enact the Homeless Housing Obligation Act, which requires each city and county to develop a housing obligation plan to provide housing opportunities for each homeless person within its jurisdiction by January 1, 2030, as specified. The bill also requires HCD to develop and administer a new program, upon appropriation of funding by the Legislature, to provide grants to cities, counties, and nonprofit housing entities to fulfill the obligations to provide housing opportunities for homeless persons.

**Status:** Senate – Appropriations Committee

### **SB-423 (Wiener) - Land use: streamlined housing approvals: multifamily housing developments.**

Extends the sunset for SB 35 (Wiener, Chapter 366, Statutes of 2017) by 11 years to January 1, 2036. This bill also enables SB 35 to apply in cities without a compliant housing element, as determined by HCD, and on specified sites in the coastal zone.

**Status:** Chapter 778, Statutes of 2023

### **SB-439 (Skinner) - Special motions to strike: priority housing development projects.**

Creates a special motion to strike a challenge to the approval or permitting of an affordable housing project modeled after California's anti-Strategic Lawsuit against Public Participation (SLAAP) statute.

**Status:** Chapter 779, Statutes of 2023

### **SB-450 (Atkins) - Housing development: approvals.**

Amends the process established by SB 9 (Atkins, Chapter 162, Statutes of 2021), for the ministerial approval by a local agency of a duplex in a single-family zone and the lot split of a parcel zoned for residential use into two parcels.

**Status:** Assembly – Inactive File

**SB-684 (Caballero) - Land use: streamlined approval processes: development projects of 10 or fewer single-family residential units on urban lots under 5 acres.**

Requires local agencies to ministerially approve subdivision maps for specified projects in urban areas that include 10 or fewer housing units.

**Status:** Chapter 783, Statutes of 2023

**SB-713 (Padilla) - Planning and zoning: density bonuses: development standard.**

Clarifies that for purposes of state density bonus law “development standards” means those adopted by the local government or enacted by the local government’s electorate exercising its local initiative or referendum power, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the local government.

**Status:** Chapter 784, Statutes of 2023

**AB-68 (Ward) - Land use: streamlined housing approvals: density, subdivision, and utility approvals.**

Requires a local government to approve a proposed housing development pursuant to a streamlined, ministerial approval process if the development meets certain objective planning standards, including, but not limited to, a requirement that the proposed parcel for the development be a climate-smart parcel, or be included in the applicable region’s sustainable communities strategy as a priority development area. This bill also prohibits a local government from increasing the planned density on climate resilient lands, as defined, from approving any tentative, final, or parcel maps for the subdivision of property within climate risk lands, as defined, and from approving an extension of water or sewer services on climate resilient lands unless specified planning requirements or conditions are met.

**Status:** Assembly – Housing and Community Development Committee

**AB-129 (Committee on Budget) - Housing.**

Contains the statutory changes necessary to implement the various housing-related provisions of the Budget Act of 2023, including:

- (1) Provides, until January 1, 2034, that land that is subject to a sectional planning area is not subject to specified requirements for the disposal of “exempt surplus land” if specified conditions are met and requires DGS to include in its annual report the status of development on that land;
- (2) Requires an exempted parcel or parcels in the Middle Class housing Act of 2022 (SB 6, Caballero, Chapter 659, Statutes of 2022) to be subject to an ordinance that allows for development by-right for a local agency to reallocate the residential density from an exempt parcel;
- (3) Authorizes a local government to exempt a parcel from the Affordable Housing and High Road Jobs Act (Act) of 2022 (AB 2011, Wicks, Chapter 647, Statutes of 2022) by an ordinance adopted to implement its provisions before a

development proponent submits a development application and if specified requirements are met;

(4) Authorizes Cal-ICH to administer round 5 of HHAPP, which requires applicants to apply as part of a region and to be signatory to a Cal-ICH approved regionally coordinated homelessness action plan; requires HHAPP grantees, on or before January 31, 2026, to submit an updated regionally coordinated homelessness action plan that includes updates on the metrics and corresponding key actions carried out, as applicable;

(5) Requires DGS to update a digitized inventory of all excess state land suitable for affordable housing after the conclusion of its review of all state-owned property; and

**Status:** Chapter 40, Statutes of 2023

**[AB-281 \(Grayson\) - Planning and zoning: housing: postentitlement phase permits.](#)**

Requires special districts to comply with specified timeframes, similar to those for cities and counties, when reviewing and approving postentitlement phase permit applications from housing developers.

**Status:** Chapter 735, Statutes of 2023

**[AB-323 \(Holden\) - Density Bonus Law: purchase of density bonus units by nonprofit housing organizations: civil actions.](#)**

Limits the ability of developers to sell deed-restricted units intended for owner-occupancy to purchasers that would rent the unit unless there are no qualified owner-occupant buyers.

**Status:** Chapter 738, Statutes of 2023

**[AB-531 \(Irwin\) - The Behavioral Health Infrastructure Bond Act of 2023.](#)**

Creates the Behavioral Health Infrastructure Bond Act of 2024, and authorizes, subject to voter approval, the issuance of \$6.38 billion in general obligation bonds to be issued to the Department of Health Care Services and HCD for funding community-based treatment and residential care settings, as well as permanent supportive housing, as specified.

**Status:** Chapter 789, Statutes of 2023 on March 2024 ballot bonds.

**[AB-812 \(Boerner\) - Housing development approvals: reserving affordable units in or near a cultural district for artists.](#)**

Authorizes local governments to set aside 10% of any locally-required affordable housing units for artists within one-half mile of a state designated cultural district or within a locally designated cultural district.

**Status:** Chapter 747, Statutes of 2023

### **Governor's Signing Message:**

I am signing Assembly Bill 812 which will allow a city or county with an inclusionary zoning policy to reserve up to ten percent of affordable units created pursuant to local inclusionary zoning ordinances for artists. Units reserved for artists will need to be located either in or within one-half mile of a state or locally designated cultural district.

Federal law recognizes the need for artist housing in affordable housing communities. I appreciate this bill requires consistency with the state's Local Tenant Preferences to Prevent Displacement Act, legislation I signed last year, which also requires compliance with fair housing laws.

While I am signing this bill, a sufficient framework exists under both state and federal law for jurisdictions to adopt local tenant preference policies tailored to their communities. In the future, I will be disinclined to sign bills that provide statutory carve outs for specific professions that can already be addressed through existing law.

### **AB-894 (Friedman) - Parking requirements: shared parking.**

Requires local agencies to allow developments to count underutilized and shared parking spaces toward a parking requirement imposed by the agency, under specified conditions.

**Status:** Chapter 749, Statutes of 2023

### **AB-911 (Schiavo) - Unlawfully restrictive covenants: affordable housing.**

Establishes a process for a prospective purchaser of a property to receive notification if a county counsel has authorized the county recorder to record a modification document removing covenants that restrict the number, size, or location of affordable housing units that may be built on the property.

**Status:** Chapter 750, Statutes of 2023

### **AB-1114 (Haney) - Planning and zoning: housing development projects: postentitlement phase permits.**

Expands the postentitlement permits subject to timelines for review and approval to include all building permits as specified, whether discretionary or nondiscretionary.

**Status:** Chapter 753, Statutes of 2023

### **AB-1218 (Lowenthal) - Development projects: demolition of residential dwelling units.**

Amends the demolition protections for existing housing applicable to development projects.

**Status:** Chapter 754, Statutes of 2023

**AB-1287 (Alvarez) - Density Bonus Law: additional density bonus and incentives or concessions: California Coastal Act of 1976.**

Requires a city, county, or city and county to grant additional density and concessions and incentives if an applicant agrees to include additional low- or moderate-income units on top of the maximum amount of units for lower, very low-, or moderate-income units.

**Status:** Chapter 755, Statutes of 2023

**AB-1308 (Quirk-Silva) - Planning and Zoning Law: single-family residences: parking requirements.**

Prohibits a public agency from increasing the minimum parking requirement that applies to a single-family residence as a condition of approval of a project to remodel, renovate, or add to a single-family residence.

**Status:** Chapter 756, Statutes of 2023

**AB-1335 (Zbur) - Local government: transportation planning and land use: sustainable communities strategy.**

Makes changes to the housing projections included in sustainable communities strategies and adds additional reporting requirements.

**Status:** Senate – Appropriations Committee

**AB-1485 (Haney) - Housing element: enforcement: Attorney General.**

Grants HCD and the Office of the Attorney General the unconditional right to intervene in any suit brought to enforce specified housing laws.

**Status:** Chapter 763, Statutes of 2023

**AB-1490 (Lee) - Affordable housing development projects: adaptive reuse.**

Makes an affordable housing project that adaptively reuses an existing building an allowable use under specified conditions, and limits the local government from imposing specified requirements, notwithstanding any inconsistencies between the project and any local plans, zoning, or regulations.

**Status:** Chapter 764, Statutes of 2023

**AB-1532 (Haney) - Office conversion projects.**

Makes an office conversion project, as defined, that meets certain requirements a use by-right in all areas regardless of zoning. This bill also exempts an office conversion project from impact fees, as defined, that are not directly related to the conversion of an office building into residential dwelling units.

**Status:** Assembly – Housing and Community Development Committee

### **AB-1633 (Ting) - Housing Accountability Act: disapprovals: California Environmental Quality Act.**

Provides that a disapproval under the Housing Accountability Act includes a local agency's failure to make a determination of whether a project is exempt from CEQA, abuse of discretion, or failure to adopt certain environmental documents under specified circumstances, and makes several other changes, until January 1, 2031.

**Status:** Chapter 768, Statutes of 2023

## **Landlord - Tenant and Fair Housing**

### **SB-395 (Wahab) - Leases: notice of termination or rent increase: statewide database.**

Creates the Transparency in Rental Reporting Act which requires landlords to file copies of notices of termination and notices of rent increases with the Secretary of State within 10 days of serving the notices on tenants. The bill also requires the Secretary of State to create and maintain a publicly available, searchable database called the Statewide Rental Reporting Database to, among other things, compile all those notices received from landlords and to adopt regulations for those purposes.

**Status:** Senate – Appropriations Committee

### **SB-466 (Wahab) - Costa-Hawkins Rental Housing Act: rental rates.**

Gives local jurisdictions the option to limit the amount that residential landlords can raise the rent each year for housing that is more than 28 years old.

**Status:** Senate – Inactive File

### **SB-567 (Durazo) - Termination of tenancy: no-fault just causes: gross rental rate increases.**

Makes a series of revisions to existing statewide protections against eviction without just cause and provides enforcement mechanisms for the violation of statewide restrictions on residential rent increases and statewide protections against no fault evictions.

**Status:** Chapter 290, Statutes of 2023

## **Local Housing and Infrastructure Finance**

### **SB-20 (Rubio) - Joint powers agreements: regional housing trusts.**

Authorizes two or more local agencies to enter into a joint powers agreement to create a regional housing trust to fund housing for people experiencing homelessness and persons and families of extremely low-, very low-, and low-income within their jurisdictions.

**Status:** Chapter 147, Statutes of 2023

### **SB-143 (Committee on Budget and Fiscal Review) - State government.**

(1) Requires CalHFA, in consultation with the Treasurer, the Legislature, and other relevant stakeholders, to evaluate options, including the issuance of revenue bonds, general obligation bonds, or other debt instruments, to finance the California Dream for All Program, and to submit a report to the Legislature on or before March 1, 2024, about these options, as well as a review of the program terms and parameters and adjustments designed to achieve specified program improvements, including targeting funds to aid first-generation homebuyers.

### **SB-440 (Skinner) - Regional Housing Finance Authorities.**

Authorizes two or more local governments to establish a regional housing finance authority to raise, administer, and allocate funding for affordable housing and provide technical assistance at a regional level for affordable housing development.

**Status:** Assembly – Appropriations Committee

### **AB-1528 (Gipson) - Housing authorities: property taxation.**

Makes clear that property held by a nonprofit public benefit corporation that is controlled by a public housing authority is included in the existing exemption from taxation.

**Status:** Chapter 766, Statutes of 2023

## **Manufactured Housing and Mobilehomes**

### **AB-318 (Addis) - Mobilehome Residency Law Protection Act.**

Extends the sunset on the Mobilehome Residency Law Protection Program, which provides for the administrative review and referral of complaints alleging violations of the Mobilehome Residency Law, from January 1, 2024 to January 1, 2027, and makes several changes to the program, as specified.

**Status:** Chapter 736, Statutes of 2023

### **AB-319 (Connolly) - Mobilehome Parks Act: inspectors: conflict of interest: enforcement actions: sunset.**

Extends the sunset date on the Mobilehome Parks Maintenance inspection program by one year, and requires HCD to establish policies related to conflict of interest reporting for mobilehome park inspectors.

**Status:** Chapter 737, Statutes of 2023

## **Miscellaneous**

### **SB-555 (Wahab) - Stable Affordable Housing Act of 2023.**

Creates the Stable Affordable Housing Act of 2023 for the purposes of studying the development of social housing through a mix of acquisition and new production.

**Status:** Chapter 402, Statutes of 2023



### **SB-620 (McGuire) - Low-impact camping areas.**

Exempts “low-impact camping areas,” as defined, from the Special Occupancy Parks Act and establishes minimum health and safety requirements for low-impact camping areas.

**Status:** Assembly – Appropriations Committee

### **AB-911 (Schiavo) - Unlawfully restrictive covenants: affordable housing.**

Establishes a process for a prospective purchaser of a property to receive notification if a county counsel has authorized the county recorder to record a modification document removing covenants that restrict the number, size, or location of affordable housing units that may be built on the property.

**Status:** Chapter 750, Statutes of 2023

### **AB-1474 (Reyes) - California Statewide Housing Plan.**

Adds veterans to the list of population groups that HCD must consider in the Statewide Housing Plan, and adds the Department of Veterans Affairs to the list of state departments HCD must consult with in the development of the state’s housing strategy.

**Status:** Chapter 762, Statutes of 2023

### **AB-1508 (Ramos) - Department of Housing and Community Development: California Statewide Housing Plan.**

Requires HCD to incorporate analyses of first-time homebuyer assistance programs, recommendations to increase homeownership opportunities for first-time homebuyers, and a demographic disparities in homeownership attainment in future updates to the Statewide Housing Plan.

**Status:** Chapter 765, Statutes of 2023

## **State Housing Programs and Finance**

### **SB-37 (Caballero) - Older Adults and Adults with Disabilities Housing Stability Act.**

Establishes the Older Adults and Adults with Disabilities Housing Stability Program, administered by HCD, to provide housing subsidies to older adults and adults with disabilities who either are experiencing or at-risk of experiencing homelessness.

**Status:** Senate – Appropriations Committee

### **SB-341 (Becker) - Housing development.**

Specifies that additional points or preference resulting from a prohousing designation shall be awarded only for the qualifying infill area portion of the Infill Incentive Grant Program (IIG) of 2007 and adds the qualifying infill area and catalytic qualifying infill area portions of the IIG of 2019 as one of the specified state programs for which additional points or preference is awarded due to a prohousing designation.

**Status:** Chapter 777, Statutes of 2023

**SB-469 (Allen) - Housing: publicly funded low-rent housing projects.**

Provides that requirements in Article 34 of the California Constitution do not apply to housing developments that receive funding from specified state housing programs.

**Status:** Chapter 179, Statutes of 2023

**SB-482 (Blakespear) - Multifamily Housing Program: supportive housing: capitalized operating reserves.**

Requires HCD to offer capitalized operating reserves to supportive housing units developed under the Multifamily Housing Program.

**Status:** Chapter 780, Statutes of 2023

**SB-834 (Portantino) - Housing: California Family Home Construction and Homeownership Bond Act of 2023.**

Authorizes \$25 billion in general obligations bonds through the California Family Home Construction and Homeownership Bond Act of 2022 to fund second mortgages and construction of for-sale housing.

**Status:** Assembly – Housing and Community Development Committee

**AB-671 (Ward) - CalHome Program: accessory dwelling units.**

Revises the CalHome program to allow for greater flexibility in grant funding and to update resale requirements of units developed under the program.

**Status:** Chapter 746, Statutes of 2023

**AB-1053 (Gabriel) - Housing programs: multifamily housing programs: expenditure of loan proceeds.**

Allows a borrower to request funding from HCD as a construction loan, the traditional permanent financing option, or a combination of both.

**Status:** Senate – Appropriations Committee

**AB-1285 (Wicks) - Homeless Housing, Assistance, and Prevention program and Encampment Resolution Funding program.**

Requires continuums of care that share geographic boundaries with a city or county using state funding allocated pursuant to round five of HHAPP or the Encampment Resolution Program funding to additionally include in their regionally coordinated homelessness action plans evidence and an explanation of their collaboration with the city or county that specifies how people served through encampment resolution have or will be included in prioritization for permanent housing within coordinated entry systems.

**Status:** Chapter 727, Statutes of 2023

### **AB-1386 (Gabriel) - Veterans housing: tenant referrals.**

Authorizes entities referring veterans to deeply affordable housing units funded by the Veterans Housing and Homelessness Prevention Program or tax credits and private activity bonds to refer veterans at higher income levels if units are unable to be filled at a lower income threshold for specified time periods.

**Status:** Chapter 760, Statutes of 2023

### **AB-1474 (Reyes) - California Statewide Housing Plan.**

Adds veterans to the list of population groups that HCD must consider in the Statewide Housing Plan, and adds the Department of Veterans Affairs to the list of state departments HCD must consult with in the development of the state's housing strategy.

**Status:** Chapter 762, Statutes of 2023

### **AB-1508 (Ramos) - Department of Housing and Community Development: California Statewide Housing Plan.**

Requires HCD to incorporate analyses of first-time homebuyer assistance programs, recommendations to increase homeownership opportunities for first-time homebuyers, and a demographic disparities in homeownership attainment in future updates to the Statewide Housing Plan.

**Status:** Chapter 765, Statutes of 2023

### **AB-1657 (Wicks) - The Affordable Housing Bond Act of 2024.**

Enacts the Affordable Housing Bond Act of 2024, which authorizes the sale of \$10 billion in general obligation bonds, upon approval by voters at the March 5, 2024 statewide election for purposes of funding specified affordable housing programs.

**Status:** Senate – Appropriations Committee

## **Surplus Properties**

### **SB-229 (Umberg) - Surplus land: disposal of property: violations: public meeting.**

Requires a local agency to hold an open and public meeting if it has been notified by HCD that its planned disposal of a parcel is in violation of SLA.

**Status:** Chapter 774, Statutes of 2023

### **SB-240 (Ochoa Bogh) - Surplus state real property: affordable and transition housing.**

Adds transitional housing projects intended for formerly incarcerated individuals as a priority in the disposal of state surplus land and provides that these projects are a use by-right.

**Status:** Chapter 775, Statutes of 2023

**AB-457 (Joe Patterson) - Surplus Land Act: exempt surplus land: leases.**

Creates an exemption from SLA for parcels abutting a state highway right-of-way that a local agency identified in its circulation element or capital improvement plan for future roadway development.

**Status:** Senate – Floor

**AB-480 (Ting) - Surplus land.**

Amends SLA, including changing the penalty provisions for violations, the authority for HCD, and the disposal process.

**Status:** Chapter 788, Statutes of 2023

**AB-1734 (Jones-Sawyer) - Local Government: Surplus Land Act: exemptions.**

Exempts certain housing and homelessness projects from SLA in local agencies that have declared a local homelessness emergency and meet other requirements.

**Status:** Chapter 769, Statutes of 2023



## **March 5, 2024 Statewide Ballot Measures**

Proposition 1 (which is a combination of AB 531 and SB 326 from 2023 legislative session)

Specifically, Proposition 1 does the following:

Revises and recasts the Mental Health Services Act (MHSA) as the Behavioral Health Services Act (BHSA). The proposal would clarify that county behavioral health programs are permitted to use BHSA funds to treat primary substance use disorder conditions and makes conforming changes throughout the BHSA. SB 326 which is a component of Proposition 1 restructures current MHSA funding buckets. It enhances the current process for local planning of various services funded by the BHSA, and for oversight, accountability, and reporting of BHSA funds.

Proposition 1 also creates the Behavioral Health Infrastructure Bond Act of 2024 (Bond) and would authorize \$6.380 billion in general obligation (GO) bonds to finance permanent supportive housing for veterans and others, as well as, unlocked and locked behavioral health treatment and residential settings for individuals experiencing homelessness or at risk of homelessness with severe behavioral health challenges. Allows for by right streamlined, ministerial review for capital projects funded by the bond. The funding categories and policy changes within the bond are as follows:

1. Authorizes \$6.380 billion, subject to voter approval, in bond funds to be expended as follows:
  - a) \$1.05 billion for loans or grants to develop supportive housing for veterans experiencing or at risk of homelessness with behavioral health challenges, administered by the Department of Housing and Community Development (HCD) and the Department of Veterans Affairs (CalVet);
  - b) \$922 million for loans or grants to develop supportive housing for people experiencing or at risk of homelessness with behavioral health challenges, administered by HCD;
  - c) \$1.5 billion to be awarded to counties, cities and tribal entities for grants for behavioral health treatment and residential settings eligible under the Behavioral Health Continuum Infrastructure Program (BHCIP), of which \$30 million is designated to tribal entities; and

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- d) \$2.893 billion for grants for behavioral health treatment and residential settings authorized under BHCIP, to be administered by the Department of Health Care Services (DHCS).
2. Provides that a housing project funded by bond funds for permanent supportive housing for veterans and other individuals experiencing homelessness with behavioral health challenges shall be a use by right and subject to a streamlined, ministerial review process if it meets, among other things, the following criteria:
  - a) It is located in a zone where multifamily residential use, office, retail, or parking are a principally permitted use;
  - b) It is not on a specified environmentally sensitive site;
  - c) Is not on a site or adjoined to any site where more than a third of the square footage on the site is dedicated to industrial use;
  - d) The development meets specified objective standards;
  - e) The project meets specified labor standards; and
  - f) No housing units were obtained by eminent domain.
3. Creates a by right, streamlined approval process, not subject to a conditional use permit, discretionary permit, or any other discretionary review for the following behavioral health treatment and residential settings funded by the Bond, as follows:
  - a) Children's residential crisis programs, peer respite, children's and adult substance use disorder residential programs, recovery housing, short-term residential therapeutic programs, and social rehabilitation programs on sites zoned where residential, office, retail, or parking are a principally permitted use; and
  - b) Projects that are real estate assets, as defined under BHCIP, on zones where office, retail, or parking are a permitted use.
4. Requires projects as applicable to comply with the core components of Housing First, including recovery housing, which must comply with U.S. Department of Housing and Urban Development (HUD) guidance.