## AMENDED IN SENATE JULY 10, 2007

#### AMENDED IN SENATE JUNE 26, 2007

# AMENDED IN ASSEMBLY APRIL 19, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

# **ASSEMBLY BILL**

**No. 414** 

### Introduced by Assembly Member Jones

February 16, 2007

An act to amend Sections 65583.2 and 65863 of the Government Code, relating to local planning.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 414, as amended, Jones. Local planning: residential development. (1) The Planning and Zoning Law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. One part of the housing element is an assessment of housing needs and an inventory of land suitable for residential development in meeting the jurisdiction's share of the regional housing need. For purposes of this assessment, existing law specifies that "land suitable for residential development" includes, among other things, vacant sites zoned for nonresidential use that allows residential development.

This bill would limit, as specified, the manner in which a jurisdiction utilizes, in identifying land suitable for residential development to meet the jurisdiction's share of the regional housing need, vacant sites zoned for nonresidential use that allows residential development and for which the applicable zoning and development standards allow substantially all of the site to be developed without residential use.

(2) The Planning and Zoning Law also prohibits a city, county, or city and county from reducing, or requiring or permitting the reduction of, the residential density for any parcel to, or allow development of any parcel at, a lower residential density, as defined, unless the city, county, or city and county makes certain written findings.

This bill would redefine "lower residential density" for purposes of the above prohibition.

This bill would redefine a "lower residential density" below which the city, county, or city and county would be required to make the above described written findings.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

### The people of the State of California do enact as follows:

1 SECTION 1. Section 65583.2 of the Government Code is 2 amended to read:

3 65583.2. (a) A city's or county's inventory of land suitable 4 for residential development pursuant to paragraph (3) of subdivision (a) of Section 65583 shall be used to identify sites that 5 6 can be developed for housing within the planning period and that 7 are sufficient to provide for the jurisdiction's share of the regional 8 housing need for all income levels pursuant to Section 65584. As 9 used in this section, "land suitable for residential development" 10 includes all of the following: (1) Vacant sites zoned for residential use. 11

12 (2) Vacant sites zoned for nonresidential use that allows 13 residential development, subject to the limitations set forth in

13 residential development, subject to the limitations set forth 14 subdivision (j).

(3) Residentially zoned sites that are capable of being developedat a higher density.

17 (4) Sites zoned for nonresidential use that can be redeveloped18 for, and as necessary, rezoned for, residential use.

19 (b) The inventory of land shall include all of the following:

20 (1) A listing of properties by parcel number or other unique 21 reference.

(2) The size of each property listed pursuant to paragraph (1),and the general plan designation and zoning of each property.

24 (3) For nonvacant sites, a description of the existing use of each25 property.

1 (4) A general description of any environmental constraints to 2 the development of housing within the jurisdiction, the 3 documentation for which has been made available to the 4 jurisdiction. This information need not be identified on a 5 site-specific basis.

6 (5) A general description of existing or planned water, sewer,
7 and other dry utilities supply, including the availability and access
8 to distribution facilities. This information need not be identified
9 on a site-specific basis.

(6) Sites identified as available for housing for above-moderate
income households in areas not served by public sewer systems.
This information need not be identified on a site-specific basis.

(7) A map that shows the location of the sites included in theinventory, such as the land use map from the jurisdiction's generalplan for reference purposes only.

16 (c) Based on the information provided in subdivision (b), a city 17 or county shall determine whether each site in the inventory can 18 accommodate some portion of its share of the regional housing 19 need by income level during the planning period, as determined 20 pursuant to Section 65584. The analysis shall determine whether the inventory can provide for a variety of types of housing, 21 22 including multifamily rental housing, factory-built housing, 23 mobilehomes, housing for agricultural employees, emergency 24 shelters, and transitional housing. The city or county shall 25 determine the number of housing units that can be accommodated 26 on each site as follows:

27 (1) If local law or regulations require the development of a site 28 at a minimum density, the department shall accept the planning 29 agency's calculation of the total housing unit capacity on that site 30 based on the established minimum density. If the city or county 31 does not adopt a law or regulations requiring the development of 32 a site at a minimum density, then it shall demonstrate how the 33 number of units determined for that site pursuant to this subdivision 34 will be accommodated.

(2) The number of units calculated pursuant to paragraph (1)
shall be adjusted as necessary, based on the land use controls and
site improvements requirement identified in paragraph (4) of
subdivision (a) of Section 65583.

1 (3) For the number of units calculated to accommodate its share 2 of the regional housing need for lower income households pursuant 3 to paragraph (2), a city or county shall do either of the following: 4 (A) Provide an analysis demonstrating how the adopted densities 5 accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or 6 7 information based on development project experience within a 8 zone or zones that provide housing for lower income households. 9 (B) The following densities shall be deemed appropriate to accommodate housing for lower income households: 10 (i) For incorporated cities within nonmetropolitan counties and 11 12 for nonmetropolitan counties that have micropolitan areas: sites 13 allowing at least 15 units per acre. 14 (ii) For unincorporated areas in all nonmetropolitan counties 15 not included in clause (i): sites allowing at least 10 units per acre. (iii) For suburban jurisdictions: sites allowing at least 20 units 16 17 per acre. (iv) For jurisdictions in metropolitan counties: sites allowing 18 19 at least 30 units per acre. 20 (d) For purposes of this section, metropolitan counties, 21 nonmetropolitan counties, and nonmetropolitan counties with 22 micropolitan areas are as determined by the United States Census 23 Bureau. Nonmetropolitan counties with micropolitan areas include the following counties: Del Norte, Humboldt, Lake Mendocino, 24 25 Nevada, Tehama, and Tuolumne and such other counties as may 26 be determined by the United States Census Bureau to be 27 nonmetropolitan counties with micropolitan areas in the future. 28 (e) A jurisdiction is considered suburban if the jurisdiction does 29 not meet the requirements of clauses (i) and (ii) of subparagraph 30 (B) of paragraph (3) of subdivision (c) and is located in a 31 Metropolitan Statistical Area (MSA) of less than 2,000,000 in 32 population, unless that jurisdiction's population is greater than 33 100,000, in which case it is considered metropolitan. Counties, 34 not including the City and County of San Francisco, will be

35 not including the City and County of San Hancisco, will be
 35 considered suburban unless they are in a MSA of 2,000,000 or
 36 greater in population in which case they are considered
 37 metropolitan.

38 (f) A jurisdiction is considered metropolitan if the jurisdiction

39 does not meet the requirements for "suburban area" above and is

40 located in a MSA of 2,000,000 or greater in population, unless

that jurisdiction's population is less than 25,000 in which case itis considered suburban.

3 (g) For sites described in paragraph (3) of subdivision (b), the 4 city or county shall specify the additional development potential 5 for each site within the planning period and shall provide an 6 explanation of the methodology used to determine the development 7 potential. The methodology shall consider factors including the 8 extent to which existing uses may constitute an impediment to 9 additional residential development, development trends, market 10 conditions, and regulatory or other incentives or standards to 11 encourage additional residential development on these sites.

12 (h) The program required by subparagraph (A) of paragraph (1)13 of subdivision (c) of Section 65583 shall accommodate 100 percent of the need for housing for very low and low-income households 14 15 allocated pursuant to Section 65584 for which site capacity has 16 not been identified in the inventory of sites pursuant to paragraph 17 (3) of subdivision (a) on sites that shall be zoned to permit 18 owner-occupied and rental multifamily residential use by right 19 during the planning period. These sites shall be zoned with 20 minimum density and development standards that permit at least 21 16 units per site at a density of at least 16 units per acre in 22 jurisdictions described in clause (i) of subparagraph (B) of 23 paragraph (3) of subdivision (c) and at least 20 units per acre in 24 jurisdictions described in clauses (iii) and (iv) of subparagraph (B) 25 of paragraph (3) of subdivision (c). At least 50 percent of the very 26 low and low-income housing need shall be accommodated on sites 27 designated for residential use and for which nonresidential uses 28 or mixed-uses are not permitted.

29 (i) For purposes of this section and Section 65583, the phrase 30 "use by right" shall mean that the local government's review of 31 the owner-occupied or multifamily residential use may not require 32 a conditional use permit, planned unit development permit, or other 33 discretionary local government review or approval that would 34 constitute a "project" for purposes of Division 13 (commencing 35 with Section 21000) of the Public Resources Code. Any subdivision 36 of the sites shall be subject to all laws, including, but not limited 37 to, the local government ordinance implementing the Subdivision 38 Map Act. A local ordinance may provide that "use by right" does 39 not exempt the use from design review. However, that design 40 review shall not constitute a "project" for purposes of Division 13

1 (commencing with Section 21000) of the Public Resources Code. 2 Use by right for all rental multifamily residential housing shall be 3 provided in accordance with subdivision (f) of Section 65589.5. 4 (i) In making the determination required by subdivision (c), the 5 following limitations apply to sites described in paragraph (2) paragraphs (2) and (4) of subdivision (a) for which the applicable 6 7 zoning or development standards allow substantially all of the site 8 to be developed without residential uses: (1) In determining the total housing unit capacity pursuant to 9 this section on these sites, only one-half of the total residential 10 development capacity shall be counted. 11 (2) Any determination that a portion of a jurisdiction's share of 12 13 the regional housing need for lower income households pursuant to Section 65584 can be accommodated on these sites shall be 14 15 based upon the proportion of the jurisdiction's share of the regional housing need for lower income households that was met on these 16 17 sites in the prior planning period, except that no more than 30 18 percent of the jurisdiction's share of the regional housing need for 19 lower income households may be allocated to these sites. (2) Any determination that a portion of a jurisdiction's share 20 21 of the regional housing need pursuant to Section 65584 can be 22 accommodated on these sites shall be based upon all of the 23 following:

(A) The proportion of the jurisdiction's share of the regional
housing need that was met on these sites in the prior planning
period.

27 (B) Recent development activity.

28 (C) Whether residential units are permitted by right.

- 29 (D) The degree to which the development standards and 30 processing requirements facilitate residential uses.
- 31 (E) The resources or incentives available for the residential
  32 development of these sites.

(F) Any other relevant factors as determined by the department,
 including market trends and demand.

35 (3) No more than 50 percent of the jurisdiction's share of the
36 regional housing need for lower income households may be
37 allocated to these sites.

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- 39 (4) For sites designated as mixed-use, these limitations do not
- 40 apply. For the purposes of this paragraph "mixed-use" means a

1 site on which both residential and nonresidential uses are permitted,

2 and on which an exclusively nonresidential use is not permitted.

3 SEC. 2. Section 65863 of the Government Code is amended 4 to read:

5 65863. (a) Each city, county, or city and county shall ensure 6 that its housing element inventory described in paragraph (3) of 7 subdivision (a) of Section 65583 or its housing element program 8 to make sites available pursuant to paragraph (1) of subdivision 9 (c) of Section 65583 can accommodate its share of the regional 10 housing need pursuant to Section 65584, throughout the planning 11 period.

(b) No city, county, or city and county shall, by administrative,
quasi-judicial, legislative, or other action, reduce, or require or
permit the reduction of, the residential density for any parcel to,
or allow development of any parcel at, a lower residential density,
as defined in paragraphs (1), and (2) of subdivision (h), unless the
city, county, or city and county makes written findings supported

18 by substantial evidence of both of the following:

(1) The reduction is consistent with the adopted general plan,including the housing element.

(2) The remaining sites identified in the housing element are
adequate to accommodate the jurisdiction's share of the regional
housing need pursuant to Section 65584.

24 (c) If a reduction in residential density for any parcel would 25 result in the remaining sites in the housing element not being 26 adequate to accommodate the jurisdiction's share of the regional 27 housing need pursuant to Section 65584, the jurisdiction may 28 reduce the density on that parcel if it identifies sufficient additional, 29 adequate, and available sites with an equal or greater residential 30 density in the jurisdiction so that there is no net loss of residential 31 unit capacity.

32 (d) The requirements of this section shall be in addition to any33 other law that may restrict or limit the reduction of residential34 density.

(e) If a court finds that an action of a city, county, or city and county is in violation of this section, the court shall award to the plaintiff or petitioner who proposed the housing development, reasonable attorney's fees and costs of suit, except under extraordinary circumstances in which the court finds that awarding fees would not further the purposes of this section or the court

1 finds that the action was frivolous. This subdivision shall remain

2 operative only until January 1, 2007, and as of that date is no longer
3 operative, unless a later enacted statute that is enacted before

4 January 1, 2007, deletes or extends that date.

5 (f) This section requires that a city, county, or city and county 6 be solely responsible for compliance with this section, unless a 7 project applicant requests in his or her initial application, as 8 submitted, a density that would result in the remaining sites in the 9 housing element not being adequate to accommodate the 10 jurisdiction's share of the regional housing need pursuant to Section 65584. In that case, the city, county, or city and county may require 11 12 the project applicant to comply with this section. The submission 13 of an application for purposes of this subdivision does not depend 14 on the application being deemed complete or being accepted by 15 the city, county, or city and county.

16 (g) This section shall not be construed to apply to parcels that, 17 prior to January 1, 2003, were either (1) subject to a development 18 agreement, or (2) parcels for which an application for a subdivision 19 map had been submitted.

(h) (1) If the local jurisdiction has adopted a housing element
for the current planning period that is in substantial compliance
with Article 10.6 (commencing with Section 65580) of Chapter
3, for purposes of this section, "lower residential density" means
the following:
(A) For sites on which the zoning designation permits residential

(A) For sites on which the zoning designation permits residential
use and that are identified in the local jurisdiction's housing
element inventory described in paragraph (3) of subdivision (a) of
Section 65583, approval of fewer units on the site than were
projected by the jurisdiction to be accommodated on the site
pursuant to subdivision (c) of Section 65583.2.

31 (B) For sites that have been or will be rezoned pursuant to the 32 local jurisdiction's housing element program described in 33 paragraph (1) of subdivision (c) of Section 65583, approval of 34 fewer units for the site than were projected to be developed on the 35 site in the housing element program.

36 (2) (A) If the local jurisdiction has not adopted a housing
37 element for the current planning period within 90 days of the
38 deadline established by Section 65588 for purposes of this section,
39 or the adopted housing element is not in substantial compliance
40 with Article 10.6 (commencing with Section 65580) of Chapter 3

within 180 days of the deadline established by Section 65588,
 "lower residential density" means either of the following:

3 (i) For residentially-zoned sites, a density that is lower than 80
4 percent of the maximum allowable residential density for that
5 parcel.

6 (ii) For sites on which residential and nonresidential uses are 7 permitted, approval of a use that would result in the development 8 of fewer than 80 percent of the maximum residential units

9 permitted on the site number of residential units that would be
10 allowed under the maximum residential density for the site.

11 (B) For the purposes of this paragraph, if the council of 12 governments fails to complete a final housing need allocation

13 pursuant to the deadlines established by Section 65584.05, the

14 deadline for adoption of the housing element and determining

15 substantial compliance shall be extended by a time period equal

16 to the delay incurred by the council of governments in completing

17 the final housing need allocation.

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