



2021 Signed Housing Legislation Summary

This document provides a high-level summary of bills recently signed by Governor Newsom related to housing policy and production. Many of these bills contain nuances or definitions specific to the chaptered legislation. Please contact Molly Rattigan at mrattigan@cityofnapa.org if you would like more detail about one or more of the bills listed below. The direct impact to the City of Napa and any necessary actions required to implement this legislation is still under review.

- AB 68 (Quirk-Silva; D-Fullerton) – Revises and modernizes the quadrennial Statewide Housing Plan and expands the requirements of the annual report from the Department of Housing and Community Development (HCD). Beginning January 23, 2023, HCD will be required to report the number of affordable units necessary to meet the housing need, make recommendations for modernizing statutory and regulatory terminology, and provide a list of land use oversight actions file and taken against a city or county.
- AB 215 (Chiu; D-San Francisco) – Provides the Department of Housing and Community Development (HCD) with additional enforcement authority over local agency violations of specified housing laws (housing elements) and increases public review for housing elements. The bill authorizes HCD to appoint other counsel to represent the department if the Attorney General declines to represent the department and specifies the applicable statute of limitations for actions or proceedings brought by the Attorney General or other counsel pursuant to those provisions.
- AB 345 (Quirk-Silva; D-Fullerton) – Requires local agencies to allow an accessory dwelling unit to be sold or conveyed separately from the primary residence to a qualified buyer if certain conditions are met, and that the property is held pursuant to a recorded tenancy in common agreement. Also allows for the unit to be sold or conveyed separately if the property was built or developed by a qualified nonprofit corporation
- AB 447 (Grayson; D-Concord) – Makes changes to the state low-income housing tax credit (LIHTC) program at the California Tax Credit Allocation Committee (TCAC) in the State Treasurer’s Office. It adds missing programs from the Preservation Notice Law into the LIHTC statutes to facilitate the preservation of all at-risk properties by allowing TCAC to fund currently omitted at-risk properties and making these developments eligible for TCAC’s at-risk set aside and, it defines new construction to include adaptive reuse, thereby allowing adaptive reuse developments to utilize these additional state credits.
- AB 491 (Ward; D-San Diego) – Requires that, for mixed income multifamily structures, the occupants of the affordable housing units within the mixed-income multifamily structure shall have the same access to the common entrances, areas, and amenities as the occupants of the market-rate housing units. Prohibits a mixed-income multifamily structure from isolating the affordable housing units within that structure to a specific floor or an area on a specific floor.



- AB 571 (Mayes; I-Rancho Mirage) – Prohibits a local government from charging affordable housing impact fees, including inclusionary zoning fees, public benefit fees, and in-lieu fees on deed-restricted affordable units that are part of a project eligible for a density bonus under Density Bonus Law (DBL).
- AB 602 (Grayson; D-Concord) – Beginning January 1, 2022, a local agency that conducts an impact fee nexus study must follow specific standards and practices, including, but not limited to, (1) that prior to the adoption of an associated development fee, an impact fee nexus study be adopted, (2) that the study identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is necessary, and (3) if the study is adopted after July 1, 2022, either calculate a fee levied or imposed on a housing development project proportionately to the square footage of the proposed units, or make specified findings explaining why square footage is not an appropriate metric to calculate the fees. Local agencies must demonstrate a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.
- AB 634 (Carrillo; D-Los Angeles) – Allows a local government to require an affordability period longer than 55 years for units that qualify a developer for a density bonus, if the local government has an inclusionary housing ordinance that requires a percentage of residential units affordable to lower income households for longer than 55 years. Excludes developments funded using Low Income Housing Tax Credits (LIHTC)
- AB 721 (Bloom; D-Santa Monica) – Makes covenants, restrictions, or private limits on the residential density of a property unenforceable against a property owner who is developing a housing project consisting entirely of affordable units (as defined in the legislation).
- AB 787 (Gabriel; D-Encino) – Authorizes a planning agency to include in its annual report, for up to 25% of a jurisdiction's moderate-income regional housing need allocation, the number of units in an existing multifamily building that were converted to deed-restricted rental housing for moderate-income households by the imposition of affordability covenants and restrictions for the unit, as specified. The bill would apply only to converted units that meet specified requirements, including that the rent for the unit prior to conversion was not affordable to very low, low-, or moderate-income households and the initial post conversion rent for the unit is at least 10% less than the average monthly rent charged over the 12 months prior to conversion.
- AB 838 (Friedman; D-Glendale) – Requires local governments to respond to lead hazard and substandard building complaints from tenants and specified other parties and to provide free copies of inspection reports and citations to the requestor and others who may be impacted.
- AB 948 (Holden; D-Pasadena) – Makes various reforms to safeguard against discrimination during the property appraisal process; requires the collection of information in order to provide data in regard to demographics and other relevant evidence to analyze the appraiser's practices.



- AB 1029 (Mullin; D-South San Francisco) – Adds preservation of affordable housing units as a pro-housing, local policy that the Department of Housing and Community Development (HCD) can consider in developing a pro-housing designation.
- AB 1043 (Bryan; D-Los Angeles) – Adds “acutely low income households” to the list of income categories for purposes of defining affordable rents. Defines “acutely low income households” as persons and families whose incomes do not exceed 15% AMI, adjusted for family size and revised annually. The limits shall be published by the Department of Housing and Community Development in the California Code of Regulations for all geographic areas of the state.
- AB 1095 (Cooley; D-Rancho Cordova) – Clarifies that projects eligible for Affordable Housing Sustainable Communities (AHSC) funding include owner-occupied housing, in addition to rental housing. Requires the Strategic Growth Council (SGC) to adopt guidelines or selection criteria that include both affordable housing rental units and owner-occupied affordable housing units. Provides that for notices of funding availability released after July 1, 2022, SGC may include guidelines or criteria for the award of funds to projects that provide home ownership opportunities for low-income individuals.
- AB 1174 (Grayson; D-Concord) – SB 35 (Wiener) of 2017 created a streamlined approval process for infill projects with two or more residential units in localities that have failed to produce sufficient housing to meet their regional housing needs allocation. This bill makes a series of technical changes to SB 35. These changes would be applicable to existing projects, including making changes that are retroactively applicable to previous decisions. Collectively, these changes are designed to enable these and future projects to avoid some of the pitfalls identified in this still relatively new process.
- AB 1297 (Holden; D-Pasadena) – The California Infrastructure and Economic Development Bank (IBank) was established in 1996 for the purpose of financing public improvements, economic development activities, and private job creation strategies that enhance the ability of California to compete in the global economy. This bill expands the financing authority of the IBank to include housing projects when that housing is necessary for the operation of the financed project. This new authority would apply to economic development facilities and public development facilities financed through any of the IBank's financing programs or authorities.
- AB 1304 (Santiago; D-Los Angeles) – In 2018, AB 686 was enacted and required local governments to develop and implement their housing plans in a manner that affirmatively furthers fair housing. As local governments have begun to implement these requirements, recent incidents have revealed that a number of jurisdictions across the state are either in noncompliance or superficial compliance with the original law. AB 1304 will further ensure that local governments must affirmatively further fair housing in their jurisdictions. Specifically, this bill would clarify enforcement language and make clear that local governments must analyze racial segregation patterns within their own jurisdiction as well as within the broader region, in addition to historical factors and current policies that contribute to fair housing issues.



- AB 1398 (Bloom; D-Santa Monica) – Requires a local government that fails to adopt a housing element that the Department of Housing and Community Development has found to be in substantial compliance with state law within 120 days of the statutory deadline to complete this rezoning no later than one year from the statutory deadline for the adoption of the housing element. Prohibits a jurisdiction that adopts a housing element more than one year after the statutory deadline from being found in substantial compliance, as described above, until required rezoning is completed, as specified.
- AB 1466 (McCarty; D-Sacramento) – Requires a title insurance company involved in any transfer of real property and that provides a deed or other documents to identify whether any of the documents contain unlawfully restrictive covenants and, if found, record a specified modification document with the county recorder. Makes changes to the existing process of recording a restrictive covenant modification.
- AB 1584 (Committee on Housing and Community Development) Makes non-controversial and non-policy changes to sections of law relating to housing. This is essentially a clean-up of technical or chartering issues identified in the implementation of previous legislation.
- SB 8 (Skinner; D-Berkeley) –SB 330, the Housing Crisis Act of 2019, is scheduled to expire in 2025. SB 8 allows SB 330 to continue for five additional years by extending SB 330’s provisions until 2030, and adding clarifying language to ensure that the bill’s original intent of streamlining the production of housing that meets a local jurisdiction’s existing zoning and other rules is met.
- SB 9 (Atkins; D-San Diego) – Requires a proposed housing development containing no more than 2 residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain requirements. Requires a local agency to ministerially approve a parcel map for an urban lot split that meets certain requirements, including, but not limited to, that the urban lot split would not require the demolition or alteration of housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income, that the parcel is located within a single-family residential zone, and that the parcel is not located within a historic district, is not included on the State Historic Resources Inventory, or is not within a site that is legally designated or listed as a city or county landmark or historic property or district. Sets forth what a local agency can and cannot require in approving an urban lot split. Requires an applicant to sign an affidavit stating that they intend to occupy one of the housing units as their principal residence for a minimum of 3 years from the date of the approval of the urban lot split, unless the applicant is a community land trust or a qualified nonprofit corporation, as specified. Prohibits a local agency from imposing any additional owner occupancy standards on applicants.



- SB 10 (Wiener; D-San Francisco) –Authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area or an urban infill site. Imposes specified requirements on a zoning ordinance adopted under these provisions, including a requirement that the zoning ordinance clearly demarcate the areas that are subject to the ordinance and that the legislative body make a finding that the ordinance is consistent with the city or county’s obligation to affirmatively further fair housing. Requires an ordinance to be adopted by a $\frac{2}{3}$ vote of the members of the legislative body if the ordinance supersedes any zoning restriction established by local initiative.
- SB 263 (Rubio; D-Baldwin Park) – Revises the real estate practice course for an applicant for a real estate broker or salesperson license to include a component on implicit bias, as specified, and would revise the legal aspects of real estate course for that applicant to include a component on state and federal fair housing laws.
- SB 290 (Skinner; D-Berkeley) – Makes various changes to Density Bonus Law (DBL), including providing additional benefits to housing developments that include low-income rental and for-sale housing units, and moderate-income for-sale housing units. Allows projects for student housing to be eligible for a bonus or concession.
- SB 381 (Portantino; D-La Cañada Flintridge) – Makes changes to the Roberti Act (the Act) to encourage the sale of homes owned by the California Department of Transportation for low- and moderate-income housing in the State Route 710 corridor in South Pasadena
- SB 478 (Wiener; D-San Francisco) – Prohibits local agency, as defined, from imposing a floor area ratio standard that is less than 1.0 on a housing development project that consists of 3 to 7 units, or less than 1.25 on a housing development project that consists of 8 to 10 units. Prohibits a local agency from imposing a lot coverage requirement that would physically preclude a housing development project from achieving the floor area ratios described above. Finally, makes void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts a housing development project from using the floor area ratio standards authorized under the provisions described above.



- SB 591 (Becker; D-Menlo Park) –Existing law requires the covenants, conditions, and restrictions or other documents or written policy of a senior citizen housing development to set forth the limitations on occupancy, residency, or use based on age. Existing law requires that the limitations on age require, at a minimum, that the persons commencing any occupancy of a dwelling unit include a senior citizen who intends to reside in the unit as their primary residence on a permanent basis. This bill authorizes the establishment of an intergenerational housing development that includes senior citizens along with caregivers and transition age youth, if specified conditions are satisfied. rental housing to restrict occupancy to senior citizens, caregivers, and transition age youth, as specified.
- SB 728 (Hertzberg; D-Van Nuys) – Existing law, commonly referred to as the Density Bonus Law, requires a city or county to provide a developer that proposes a housing development within the city or county with a density bonus and other incentives or concessions, as specified, if the developer agrees to construct, among other options, specified percentages of units for moderate-income or, lower, or very low-income households and meets other requirements. Existing law requires the developer and the city or county to ensure that the initial occupant of a for-sale unit that qualified the developer for the award of the density bonus is a person or family of very low, low, or moderate income. This bill authorizes a qualified nonprofit housing organization to purchase a unit constructed under the Density Bonus Law and use for moderate-income or, lower, or very low-income households.
- SB 791 (Cortese; D-San Jose) – Establishes the California Surplus Land Unit within the Department of Housing and Community Development with the primary purpose of facilitating the development and construction of residential housing on local surplus land. This unit would: facilitate agreements between housing developers and local agencies that seek to dispose of surplus land; provide advice, technical assistance, and consultative and technical service to local agencies with surplus land and developers that seek to develop housing on the surplus land; and collaborate with specified state agencies to assist housing developers and local agencies with obtaining grants, loans, tax credits, credit enhancements, and other types of financing that facilitate the construction of housing on surplus land.