

Updates

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New California Law Restricts Cities' Ability to Limit Housing

California Governor Gavin Newsom signed into law yesterday a major set of restrictions on the actions California cities and counties may take to impede housing development. [Senate Bill 330](#) broadly aims to prevent local agencies from putting up new barriers to housing production. The legislation declares a statewide housing emergency and, on that basis, amends state law with a scheduled sunset date of January 1, 2025.

One key reform under SB 330 is its amendment of the Housing Accountability Act. The legislation establishes a new rule that housing projects statewide generally are subject only to the ordinances, policies, development standards and fees (except automatic annual adjustments) that are in effect when the developer submits a "preliminary application." This newly-defined submission must contain certain information about the project as specified by statute. The legislation's new protection applies to projects where at least two-thirds of square footage is designated for residential use.

SB 330 also prohibits nearly all cities in urban areas, as well as counties with respect to certain urbanized places, from taking the following actions:

- Parcels of land where housing is an allowable use may not be downzoned, and general or specific plan land use designations may not be changed to a less intensive use as compared to what was allowed as of January 1, 2018. This provision includes reductions in height, density or floor area ratio, or other types of increased requirements. (However, cities and counties may limit a property to less intensive uses if changes in land use designations or zoning elsewhere ensure no net loss in residential capacity.)
- Moratoriums or similar restrictions may not be imposed, with certain exceptions, on housing or mixed-use development.
- Design standards established on or after January 1, 2020 that do not qualify as "objective" standards may not be imposed or enforced.
- The number of housing units may not be capped, and limitations may not be set on population or how many approvals or permits will be issued for housing, except in predominantly agricultural counties.
- Housing projects may not be approved that either fail to replace any dwelling units lost to demolition or that will require demolishing units recently occupied by low-income households or other "protected" units, unless specified criteria are met.

Finally, among several additional provisions, SB 330 prohibits cities and counties from holding more than five hearings on a proposed housing project, including any continuances, if the project complies with the applicable, objective general plan and zoning standards in effect when an application is deemed complete.

While SB 330 will limit the ability of cities and counties to restrict housing projects by deviating from established zoning and development standards, many legislators also have expressed interest in more far-reaching reform that would force local agencies to accept housing at higher densities. Any such reform will have to wait until the legislature returns next year.

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