

Overview of 2024 Key Housing Related Legislation

October 2024

Overview

This bulletin provides an overview of key legislation passed during the California legislative session in 2024. While not exhaustive, it highlights important new laws that impact planning, housing, and development for local jurisdictions. Below is a quick reference list of the highlighted legislation:

- **Housing Accountability Act:** (AB 1413, AB 1893)
- **Streamlining and Development Review:** (AB 2243, SB 1123, SB 450, AB 3122, AB 2430)
- **ADUs/JADUs:** (AB 2533, SB 1211, SB 1077)
- **Housing Elements:** (SB 1037, AB 1886, AB 2023, AB 2667, AB 2580, AB 3093, AB 2597)
- **Other General Plan Elements:** (AB 1889, AB 2684)
- **Impact Fees and Exactions:** (AB 1820, AB 2553, AB 2663, AB 3012, SB 937)

Purpose

This document is intended solely as an overview of new housing-related legislation. It is not intended to serve as legal advice regarding any local jurisdiction's specific policies or any proposed housing development project. Local jurisdictions should consult with legal counsel before taking any action.

Housing Accountability Act

AB 1413 (Ting). Amends the Housing Accountability Act (HAA) by establishing a minimum 60-day period for local jurisdictions to review and consider objections, comments, and evidence when determining whether a housing development project protected under the HAA is exempt from CEQA. It also clarifies provisions defining disapproval of housing development projects.

AB 1893 (Wicks). Amends the HAA to revise the standards a housing development project must meet to qualify for the “Builder’s Remedy” by reducing the required affordability to qualify and setting specific parameters around zoning, densities, and objective standards for eligible projects. It also clarifies when local jurisdictions must approve “Builder’s Remedy” projects, limits the circumstances when local jurisdictions can disapprove these housing projects, and sets requirements for streamlined approvals. If a local jurisdiction fails to comply, courts are required to enforce compliance.

Streamlining and Development Review

AB 2243 (Wicks). Expands and modifies the provisions of AB 2011 (Wicks, 2022) and SB 6 (Caballero, 2022) to expand geographic eligibility for housing projects on commercially zoned land to include regional mall sites, sites near freeways, and introduces updates to objective standards for these housing developments. The bill clarifies affordability requirements, expands the acreage limits for mixed-income projects, and streamlines ministerial review for these developments including timelines for local jurisdiction approval. *NOTE (October 2024): SANDAG may provide updates to existing technical assistance to reflect these changes.*

SB 1123 (Caballero). Amends the provisions SB 684 (Caballero, 2024) requiring local jurisdictions to ministerially approve subdivisions with up to 10 housing units. Key provisions include expanding eligibility to include vacant properties zoned for single-family residential development and setting permissible height limitations. It also broadens ownership options to include tenancy in common and community land trusts for developments in single-family residential zones. The bill also clarifies that if a local jurisdiction chooses to permit Accessory Dwelling Units (ADUs) or Junior ADUs (JADUs) on parcels created through this process, those units are excluded from the 10-unit limit.

SB 450 (Atkins). Amends the process established by SB 9 (Atkins, 2021) to streamline the ministerial approval of duplexes and urban lot splits in single-family zones, and clarifies that the requirements apply to all local jurisdictions, including charter cities. The bill also updated provisions that prohibit local jurisdictions from creating objective zoning, subdivision, or design standards that are not applied to the underlying single-family zoning; sets specific timeframes for processing applications; and increases state authority to hold local jurisdictions accountable for delays or non-compliance.

AB 3122 (Kalra). Revises certain aspects of SB 35 (Wiener, 2017) / SB 423 (Wiener, 2023), including the threshold at which a local jurisdiction can apply recently adopted objective planning standards when a development approved pursuant to SB 35 / SB 423 is modified post-entitlement.

AB 2430 (Alvarez). Prohibits local jurisdictions from charging monitoring fees, including inclusionary zoning fees, on 100 percent affordable housing developments that utilize the State Density Bonus Law to maintain affordability. This applies if the development is already subject to a regulatory monitoring agreement with specified state agencies, ensuring compliance with affordability requirements.

ADUs/JADUs

AB 2533 (Carillo). Extends ADU amnesty law to include unpermitted JADUs. In addition, it expands amnesty to ADUs and JADUs built before 2020. The bill also prohibits local jurisdictions from denying permits due to violations unless necessary to address health and safety concerns and limits impact fees.

SB 1211 (Skinner). Increases the allowable ADUs on a lot with an existing multifamily dwelling from no more than two detached ADUs to no more than eight detached ADUs. A proposed multifamily dwelling may not have more than two detached ADUs.

SB 1077 (Blakespear). Requires Coastal Commission to coordinate with the Department of Housing and Community Development (HCD) to develop and provide guidance that clarifies and simplifies the permitting process for ADUs and JADUs within the coastal zone.

Housing Elements

SB 1037 (Wiener). Strengthens legal enforcement by the Attorney General and HCD to ensure compliance with housing element laws as well as any state law that requires a local government to ministerially approve a housing development project. It introduces civil penalties for noncompliance, starting at \$10,000 per month and not exceeding \$50,000 per month for each violation, and covers attorney's fees for violations deemed arbitrary, unlawful, or procedurally unfair.

AB 1886 (Alvarez). Clarifies when a local jurisdiction's housing element is in "substantial compliance" with housing element law. It specifies that HCD or a court of competent local jurisdiction must determine whether the adopted housing element or its amendment complies with the law. The bill seeks to clarify that local jurisdictions may not "self-certify" housing elements by adopting a housing element without making changes provided by HCD.

AB 2023 (Quirk-Silva). Beginning with the seventh cycle revisions to the housing element, local jurisdictions must complete the required rezoning of sites within one year of the statutory deadline for adopting the housing element. Local jurisdictions that meet the statutory deadline must complete required rezonings within three years and 90 days after the statutory deadline. The bill also establishes a presumption of invalidity in legal actions if the HCD determines that a local jurisdiction's actions, or inaction, do not substantially comply with its adopted housing element.

AB 2667 (Santiago). Mandates local jurisdictions to report on affirmatively furthering fair housing (AFFH) in their housing element annual progress report starting in the seventh cycle, including data on approved and disapproved units and their location in opportunity areas. It also requires local jurisdictions to make the seventh cycle housing element inventory of sites publicly available.

AB 2580 (Wicks). Requires local jurisdictions to provide information regarding historic designations and the status of any housing development projects proposed for sites newly designated historic in its APR.

AB 3093 (Ward). Adds acutely low-income requirements in addition to clarification of extremely low-, very low-, low-, moderate-, and above moderate- requirements of the regional housing needs determination, housing element, and annual progress report requirements. It defines acutely low-income households as those earning no more than 15 percent of the area median income (AMI).

AB 2597 (Ward). Shortens the local government appeal period for the RHNA allocation to 30 days from 45 days.

Other General Plan Elements

AB 1889 (Friedman). Requires the Conservation Element to be updated, upon the next update of one or more elements on or after January 1, 2026, to consider the impact of development on wildlife movement and habitat connectivity within the local jurisdiction.

AB 2684 (Bryan). Requires Safety Elements adopted on or after January 1, 2028, to address extreme heat hazards.

Impact Fees and Exactions

AB 1820 (Schiavo). Requires local jurisdictions to provide a preliminary estimate of fees and exactions within 30 business days upon request after a developer submits a preliminary housing application. Upon final project approval, agencies must also provide an itemized list and good faith estimate of all applicable fees.

AB 2553 (Friedman). Requires local jurisdictions to set lower traffic impact mitigation fees for transit-oriented housing developments near major transit stops, instead of just at transit stations, and changes the definition of a major transit stop.

AB 2663 (Grayson). Requires local jurisdictions that collect inclusionary housing in-lieu fees as an alternative means of compliance with an inclusionary housing requirement to post on their website specified information about the amount of fees collected and how they were spent.

AB 3012 (Grayson). Requires local jurisdictions with websites to provide a fee estimate tool for calculating fees and exactions on proposed housing developments. Cities and counties with populations over 500,000 must comply by July 1, 2031, and smaller local jurisdictions by July 1, 2032.

SB 937 (Wiener). Prohibits local jurisdictions from requiring payment of fees or charges for public improvements or facilities on a designated residential development project before the development receives a certificate of occupancy/ final inspection, except under certain conditions. Allows collection of unpaid fees through specific procedures if the developer does not post a performance bond or letter of credit.