

**Introduced by Senator DeSaulnier**February 22, 2013

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An act to add Section 65957.6 to the Government Code, relating to land use.

## LEGISLATIVE COUNSEL'S DIGEST

SB 673, as introduced, DeSaulnier. Land use: development project review.

The Permit Streamlining Act requires the lead agency that has the principal responsibility for approving a development project, as defined, to approve or disapprove the project within 60 days from the date of adoption of a negative declaration or the determination by the lead agency that the project is exempt from the California Environmental Quality Act, unless the project proponent requests an extension of time.

This bill additionally would require a city, county, or city and county, including a charter city or charter city and county, prior to approving or disapproving a proposed development project that would permit the construction of a retail or other commercial facility project, as specified, to cause a cost benefit analysis to be prepared, as specified, which would be paid for by the project applicant. This bill would provide that the cost-benefit analysis would include specified assessments and projections including, among other things, an assessment of the effect that the construction and operation of the proposed development will have on the ability of the city, county, or city and county to implement the goals contained in its general plan.

By increasing duties of local officials, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1 SECTION 1. Section 65957.6 is added to the Government  
2 Code, to read:

3 65957.6. Prior to approving or disapproving a permit for the  
4 construction of a retail or other commercial facility project  
5 estimated to receive over \$1 million in subsidies, a city, county,  
6 or city and county shall cause to be prepared a cost benefit analysis.

7 (a) The Office of Planning and Research (OPR) may prepare  
8 the cost benefit analysis or contract for its preparation with a  
9 private entity, other than the permit applicant, or another public  
10 agency. The private entity or public agency shall be qualified by  
11 education, training, and experience to conduct cost benefit analyses.

12 (b) The applicant for the development project shall pay the OPR  
13 or state agency, or the city, county, or city and county, for the costs  
14 of preparing the cost benefit analysis.

15 (c) The cost benefit analysis shall include, but is not limited to,  
16 all of the following:

17 (1) A projection of the costs of public services and public  
18 facilities resulting from the construction and operation of the  
19 proposed development and the incidence of those costs.

20 (2) A projection of the public revenues resulting from the  
21 construction and operation of the proposed development and the  
22 incidence of those revenues.

23 (3) An assessment of the cost of incentives by a city, county,  
24 or city and county.

25 (4) An assessment of the effect that the construction and  
26 operation of the proposed development will have on the ability of  
27 the city, county, or city and county to implement the goals  
28 contained in its general plan, including, but not limited to, local  
29 policies and standards that apply to land use patterns, traffic

1 circulation, affordable housing, natural resources, including water  
2 supplies, open-space lands, noise problems, and safety risks.

3 (5) An assessment of whether the development would require  
4 the demolition of housing or any other action or change that would  
5 result in a decrease or negative impact on the creation of extremely  
6 low, very low, low-, or moderate-income housing.

7 (6) An assessment of whether the development would result in  
8 the destruction or demolition of park or other green space,  
9 playgrounds, child care facilities, or community centers.

10 (7) An assessment of whether the development would result in  
11 any other adverse or positive economic impact or blight.

12 (8) An assessment of whether any measures are available that  
13 may mitigate any materially adverse economic impact identified  
14 by the applicant.

15 (d) (1) The Legislature finds that the construction and operation  
16 of retail and commercial facilities has land use, environmental,  
17 economic, fiscal, and social equity effects that extend beyond the  
18 boundaries of the city, county, or city and county in which it is  
19 located.

20 (2) The Legislature finds that it is essential for the statewide  
21 public health, safety, and welfare to require cities, counties, and  
22 cities and counties to understand the potential spillover effects of  
23 approving the construction and operation of these retail and  
24 commercial facilities.

25 (3) The Legislature further finds and declares that the review  
26 and regulation of retail and commercial facilities is a matter of  
27 statewide concern and not merely a municipal affair, as that term  
28 is used in Section 5 of Article XI of the California Constitution.  
29 Therefore, this section shall also apply to charter cities and to  
30 charter cities and counties.

31 SEC. 2. No reimbursement is required by this act pursuant to  
32 Section 6 of Article XIII B of the California Constitution because  
33 a local agency or school district has the authority to levy service  
34 charges, fees, or assessments sufficient to pay for the program or  
35 level of service mandated by this act, within the meaning of Section  
36 17556 of the Government Code.