

AMENDED IN SENATE APRIL 15, 2013

**SENATE BILL**

**No. 673**

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**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 amended, 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. (a) (1) Prior to approving or disapproving a permit  
 4 for the construction of a retail or other commercial facility project  
 5 estimated to receive ~~over \$1 million~~ *one million dollars*  
 6 *(\$1,000,000) or more* in subsidies, a city, county, or city and county  
 7 shall cause to be prepared a cost benefit analysis.

8 (2) *For purposes of this section, "subsidy" means any*  
 9 *contribution made by the state or local government to a project*  
 10 *considered to be in the interest of the public, including, but not*  
 11 *limited to, tax credits, low-interest loans, state or federal grants,*  
 12 *land donations or acquisitions, or remediation or environmental*  
 13 *cleanup activity.*

14 ~~(a) The Office of Planning and Research (OPR)~~

15 (b) *A city, county, or city and county may prepare the cost*  
 16 *benefit analysis required by this section, or contract for its*  
 17 *preparation with a private entity, other than the permit applicant,*  
 18 *or another public agency. The private entity or public agency shall*  
 19 *be qualified by education, training, and experience to conduct cost*  
 20 *benefit analyses.*

21 ~~(b)~~

22 (c) *The applicant for the development project shall pay the OPR*  
 23 ~~*or state agency, or the city, county, or city and county,*~~ *for the costs*  
 24 *of preparing or contracting for the cost benefit analysis.*

25 ~~(e)~~

26 (d) *The cost benefit analysis shall include, but is not limited to,*  
 27 *all of the following:*

28 (1) *A projection of the costs of public services and public*  
 29 *facilities resulting from the construction and operation of the*  
 30 *proposed development and the incidence of those costs.*

1 (2) A projection of the public revenues resulting from the  
2 construction and operation of the proposed development and the  
3 incidence of those revenues.

4 (3) ~~An assessment of the cost of incentives~~ *The cost of subsidies*  
5 *provided by a city, county, or city and county.*

6 (4) An assessment of the effect that the construction and  
7 operation of the proposed development will have on the ability of  
8 the city, county, or city and county to implement the goals  
9 contained in its general plan, including, but not limited to, local  
10 policies and standards that apply to land use patterns, traffic  
11 circulation, affordable housing, natural resources, including water  
12 supplies, open-space lands, noise problems, and safety risks.

13 (5) *An assessment of whether the effect of the construction and*  
14 *operation of the proposed development will be consistent with the*  
15 *general use designation, density, building intensity, and applicable*  
16 *policies specified for the project area in either a sustainable*  
17 *communities strategy or an alternative planning strategy for which*  
18 *the State Air Resources Board, pursuant to Chapter 2.5*  
19 *(commencing with Section 65080), has accepted a metropolitan*  
20 *planning organization's determination that the sustainable*  
21 *communities strategy or alternative planning strategy, if*  
22 *implemented, would achieve the greenhouse gas emission reduction*  
23 *targets.*

24 ~~(5)~~

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

29 ~~(6)~~

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

33 ~~(7)~~

34 (8) An assessment of whether the development would result in  
35 any other adverse or positive economic impact or blight.

36 (9) *An assessment of whether the proposed development would*  
37 *adversely impact a state transportation facility, including to what*  
38 *extent it would degrade services of that facility.*

39 ~~(8)~~

1 (10) An assessment of whether any measures are available that  
2 may mitigate any materially adverse economic impact identified  
3 by the applicant.

4 (d) (1) The Legislature finds that the construction and operation  
5 of retail and commercial facilities has land use, environmental,  
6 economic, fiscal, and social equity effects that extend beyond the  
7 boundaries of the city, county, or city and county in which it is  
8 located.

9 (2) The Legislature finds that it is essential for the statewide  
10 public health, safety, and welfare to require cities, counties, and  
11 cities and counties to understand the potential spillover effects of  
12 approving the construction and operation of these retail and  
13 commercial facilities.

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

20 SEC. 2. No reimbursement is required by this act pursuant to  
21 Section 6 of Article XIII B of the California Constitution because  
22 a local agency or school district has the authority to levy service  
23 charges, fees, or assessments sufficient to pay for the program or  
24 level of service mandated by this act, within the meaning of Section  
25 17556 of the Government Code.