

AMENDED IN ASSEMBLY JUNE 1, 2016

AMENDED IN ASSEMBLY APRIL 14, 2016

AMENDED IN ASSEMBLY APRIL 4, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1934

Introduced by Assembly Member Santiago

February 12, 2016

An act to add Section 65915.7 to the Government Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1934, as amended, Santiago. Planning and zoning: ~~density development~~ bonuses: mixed-use projects.

The Planning and Zoning Law requires, when an applicant proposes a housing development within the jurisdiction of the local government, that the city, county, or city and county provide the developer with a density bonus and other incentives or concessions for the production of lower income housing units or for the donation of land within the development if the developer, among other things, agrees to construct a specified percentage of units for very low, low-, or moderate-income households or qualifying residents.

~~This bill would, bill~~, when an applicant for approval for commercial development agrees to partner with an affordable housing developer to construct a ~~mixed-used project for which the housing will be located onsite at the proposed commercial development, joint project or 2 separate projects encompassing affordable housing, would~~ require a city, county, or city and county to grant to the commercial developer a ~~density development~~ bonus, as specified. *The bill would define the*

development bonus to mean incentives mutually agreed upon by the developer and the jurisdiction including, but not limited to, specified variances. By increasing the duties of local officials relating to the administration of ~~density~~ *development* bonuses, this bill would create 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. The Legislature finds and declares that the
2 development of affordable housing is a matter of statewide concern
3 and is not a municipal affair as that term is used in Section 5 of
4 Article XI of the California Constitution. Therefore, Section
5 65915.7 of the Government Code, as proposed to be added by this
6 act, shall apply to all cities, including charter cities.

7 SEC. 2. Section 65915.7 is added to the Government Code, to
8 read:

9 65915.7. (a) When an applicant for approval for commercial
10 development agrees to partner with an affordable housing developer
11 to construct a ~~mixed-used project for which the housing will be~~
12 ~~located onsite at the proposed commercial development, joint~~
13 *project or two separate projects encompassing affordable housing,*
14 the city, county, or city and county shall, in addition to any density
15 bonus and incentives or concessions granted to the affordable
16 housing developer as prescribed in *subparagraph (C) of paragraph*
17 *(2) of subdivision (d) of Section 65915,* grant to the commercial
18 developer a ~~density~~ *development* bonus as prescribed in subdivision
19 (b). *Offsite housing constructed according to this subdivision shall*
20 *be all of the following:*

- 21 (1) *Within the boundaries of the local government.*
- 22 (2) *In close proximity to public amenities including schools and*
23 *employment centers.*
- 24 (3) *In close proximity to both pedestrian amenities and transit*
25 *corridors.*

1 (b) The ~~density development~~ bonus granted to the commercial
2 developer shall mean ~~exceptions resulting in significant cost~~
3 ~~reductions over the maximum allowable intensity in the general~~
4 ~~plan, zoning ordinance, or other regulation of the city, county, or~~
5 ~~city and county, including, but not limited to, floor area ratios, and~~
6 ~~may include modification to development standards such as height~~
7 ~~and parking requirements.~~ *incentives, mutually agreed upon by*
8 *the developer and the jurisdiction, that may include, but are not*
9 *limited to, any of the following:*

10 (1) *Up to a 20-percent variance in maximum allowable intensity*
11 *in the General Plan, zoning ordinance, or other regulation.*

12 (2) *Up to a 20-percent variance in maximum allowable floor*
13 *area ratio.*

14 (3) *Up to a 20-percent variance in maximum height*
15 *requirements.*

16 (4) *Up to a 20-percent variance in minimum parking*
17 *requirements.*

18 (5) *A specific use of a limited-use/limited-application elevator*
19 *for upper floor accessibility.*

20 (c) *For the purposes of this section, the agreement for partnered*
21 *housing and commercial developments shall be approved by the*
22 *affordable housing developer, the commercial developer, and the*
23 *local government.*

24 (d) *For the purposes of this section, affordable housing may be*
25 *contributed by the commercial developer in one of the following*
26 *manners:*

27 (1) *The commercial developer may directly build the units.*

28 (2) *The commercial developer may dedicate a portion of the*
29 *site or property elsewhere to the affordable housing developer for*
30 *use as a site for affordable housing.*

31 (3) *The commercial developer may make an in-lieu payment to*
32 *the affordable housing developer that shall be used towards the*
33 *costs of affordable housing construction on a pending project.*

34 (e) *For the purposes of this section, subparagraph (A) of*
35 *paragraph (3) of subdivision (c) of Section 65915 shall apply.*

36 (f) *Nothing in this section shall preclude any additional*
37 *allowances or incentives offered to developers by local*
38 *governments pursuant to law or regulation.*

39 (g) (1) *If the developer of the affordable units does not*
40 *commence with construction of those units in accordance with*

1 *timelines ascribed by the agreement described in subdivision (c),*
2 *the local government may withhold certificates of occupancy for*
3 *any market rate units under construction until the developer has*
4 *completed construction of the affordable units.*

5 *(2) For the purposes of this subdivision, “commence with*
6 *construction” shall mean either of the following:*

7 *(A) Commence or complete the construction of affordable units.*

8 *(B) Issuance of building permits for the construction of the*
9 *affordable units.*

10 SEC. 3. No reimbursement is required by this act pursuant to
11 Section 6 of Article XIII B of the California Constitution because
12 a local agency or school district has the authority to levy service
13 charges, fees, or assessments sufficient to pay for the program or
14 level of service mandated by this act, within the meaning of Section
15 17556 of the Government Code.