AMENDED IN ASSEMBLY MAY 27, 2016 AMENDED IN ASSEMBLY APRIL 18, 2016 AMENDED IN ASSEMBLY MARCH 30, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2502

Introduced by Assembly Members Mullin and Chiu (Coauthors: Assembly Members Bonilla, Burke, Campos, Gordon, Thurmond, and Ting)

(Coauthors: Senators Leno and Wieckowski)

February 19, 2016

An act to amend Section 65850 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 2502, as amended, Mullin. Land use: zoning regulations.

The Planning and Zoning Law authorizes the legislative body of any city, county, or city and county to adopt ordinances regulating zoning within its jurisdiction, as specified.

This bill would additionally authorize the legislative body of any city, county, or city and county to adopt ordinances to establish, require, as a condition of development, inclusionary housing requirements, development of residential units, that the development include a certain percentage of residential rental units affordable to, and occupied by, moderate-income, lower income, very low income, or extremely low income households, as specified, and would declare the intent of the Legislature in adding this provision. The bill would also make nonsubstantive changes.

AB 2502 — 2 —

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

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

- 1 SECTION 1. Section 65850 of the Government Code is 2 amended to read:
- 3 65850. The legislative body of any city, county, or city and county may, pursuant to this chapter, adopt ordinances that do any of the following:
 - (a) Regulate the use of buildings, structures, and land as between industry, business, residences, and open space, including agriculture, recreation, enjoyment of scenic beauty, use of natural resources, and other purposes.
 - (b) Regulate signs and billboards.
 - (c) Regulate all of the following:

9

10 11

14

17

19

23

24

25

26

27

28

29

30

31

- 12 (1) The location, height, bulk, number of stories, and size of buildings and structures.
 - (2) The size and use of lots, yards, courts, and other open spaces.
- 15 (3) The percentage of a lot which may be occupied by a building or structure.
 - (4) The intensity of land use.
- 18 (d) Establish requirements for off-street parking and loading.
 - (e) Establish and maintain building setback lines.
- 20 (f) Create civic districts around civic centers, public parks, 21 public buildings, or public grounds, and establish regulations for 22 those civic districts.
 - (g) Establish, Require, as a condition of development, inclusionary housing requirements, which may require the provision the development of residential units, that the development include a certain percentage of residential rental units affordable to, and occupied by, owners or tenants whose household households with incomes that do not exceed the limits for moderate income, lower income, very low income, or extremely low income households specified in Sections 50079.5, 50105, and 50106 of the Health and Safety Code.
- 32 SEC. 2. The Legislature finds and declares all of the following:
- 33 (a) Inclusionary housing ordinances have provided quality 34 affordable housing to over 80,000 Californians, including the

-3- AB 2502

production of an estimated 30,000 units of affordable housing in the last decade alone.

- (b) Since the 1970s, over 170 jurisdictions have enacted inclusionary housing ordinances to meet their affordable housing needs.
- (c) While many of these local programs have been in place for decades, the recent decision in Palmer/Sixth Street Properties, L.P. v. City of Los Angeles (2009) 175 Cal.App.4th 1396, a 2009 appellate court decision has created uncertainty and confusion for local governments regarding the future viability of this important local land use tool. use of this tool to ensure the inclusion of affordable rental units in residential developments.
- (d) It is the intent of the Legislature to reaffirm the authority of local jurisdictions to enact and enforce these ordinances. include in these inclusionary housing ordinances requirements related to the provision of rental units.
- (e) The Legislature declares its intent in adding subdivision (g) to Section 65850 of the Government Code, pursuant to Section 1 of this act, to supersede any holding or dicta in Palmer/Sixth Street Properties, L.P. v. City of Los Angeles (2009) 175 Cal.App.4th 1396, any court decision or opinion to the extent that the decision or opinion in that case conflicts with that subdivision. This act shall not otherwise be construed to enlarge or diminish the authority of a jurisdiction beyond those powers that existed as of July 21, 2009.
- (f) In no case is it the intent of the Legislature in adding subdivision (g) to Section 65850 of the Government Code, pursuant to Section 1 of this act, to enlarge, diminish, or modify in any way the existing authority of local jurisdictions to establish, as a condition of development, inclusionary housing requirements, beyond reaffirming their applicability to rental units.
- (g) This act does not modify or in any way change or affect the authority of local jurisdictions to require, as a condition of the development of residential units, that the development include a certain percentage of residential for-sale units affordable to, and occupied by, households with incomes that do not exceed the limits for moderate-income, lower income, very low income, or extremely low income households.

39 (f)

1 2

AB 2502 —4—

- (h) It is the intent of the Legislature to reaffirm that existing
 law requires that the action of any legislative body of any city,
 county, or city and county to adopt a new inclusionary housing
 ordinance be taken openly and that their deliberations be conducted
 openly consistent with the requirements of the Ralph M. Brown
- 6 Act (Chapter 9 (commencing with Section 54950) of Part 1 of
- 7 Division 2 of Title 5 of the Government Code).