

AMENDED IN SENATE MARCH 26, 2015

SENATE BILL

No. 341

Introduced by Senator Nguyen

February 23, 2015

An act to *amend Section 50464 of, and to add Section 50464.5 to* the Health and Safety Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 341, as amended, Nguyen. Housing: *Department of Housing and Community Development: local fees: study. fees.*

Existing law authorizes the Department of Housing and Community Development to ~~make~~ *take specified actions related to housing that include, among other things*, investigations of housing and community development in the state.

This bill would require the department to take these actions.

Existing law requires fees charged by a local agency for specified purposes, including zoning variances, zoning changes, use permits, building inspections, building permits, the processing of maps under the provisions of the Subdivision Map Act, and planning services, to not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of this cost is submitted to, and approved by, $\frac{2}{3}$ of the electors.

This bill would require, by January 1, 2017, and every 5 years thereafter, the department to conduct a statewide survey of cities and counties to determine the total amount of fees and charges imposed on new home construction by local jurisdictions and submit the survey to specified committees of the Legislature.

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

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

1 SECTION 1. The Legislature hereby finds and declares the
2 following:

3 (a) According to the most recent United States Census,
4 California’s poverty rate is 16 percent, 1.4 percent higher than the
5 national rate of 14.6 percent. However, under an alternative
6 method, also calculated by the United States Census Bureau, called
7 the Supplemental Poverty Measure, California has the highest
8 poverty rate in the nation at 23.4 percent, well above the national
9 alternative rate of 15.5 percent.

10 (b) The median value of a home in California of ~~\$383,900~~
11 ~~\$437,800~~ is ~~111.6~~ *144.3* percent higher than the national median
12 home value of ~~\$181,400~~, *\$179,200*, yet the median household
13 income of \$61,400 in California is only 15.7 percent higher than
14 the national average of \$53,046. This may help to explain why
15 only ~~56~~ *54* percent of Californians own a home, far behind the
16 national average of ~~65.5~~ *64* percent. *Forty-six percent of*
17 *Californians rent. By national standards, California’s*
18 *homeownership rate of 54 percent is the third lowest in the nation.*

19 (c) According to the Department of Housing and Community
20 Development’s 2001 report on local development fees,
21 “California’s high residential development fees significantly
22 contribute to its high housing costs and prices.” In fact, 15 years
23 ago, local fees accounted for 10 to 15 percent of the cost of building
24 a home. At that time, it was estimated that a reduction of local fees
25 by half could increase home ownership by as much as 14 percent.
26 Today, data from the California Building Industry Association
27 shows local fees may account for 30 percent of the cost of a new
28 home.

29 *SEC. 2. Section 50464 of the Health and Safety Code is*
30 *amended to read:*

31 50464. The department ~~may~~ *shall do all of the following:*

32 (a) Make investigations of housing and community development
33 in California.

1 (b) Call conferences of representatives of all levels of
2 government, industry, and private groups, to discuss housing and
3 community development problems of California.

4 (c) Investigate and report upon substandard housing and the
5 problems resulting therefrom and the work being done to remedy
6 ~~such~~ *these* conditions.

7 (d) Study the operation and enforcement of housing, building,
8 zoning, and subdivision laws and regulations, of housing finance,
9 taxes, redevelopment programs and public housing projects, as
10 related to housing and community development.

11 (e) Examine the records of housing authorities and
12 redevelopment agencies, and secure from them reports and copies
13 of their records at any time.

14 (f) Promote the formation of organizations intended to increase
15 the supply of adequate housing and the proper living environment
16 for all the people of the state.

17 (g) With the Department of Transportation, investigate and
18 report upon the consistency between state, local, and federal
19 housing plans and programs and state, local, and federal
20 transportation plans and programs.

21 ~~SEC. 2.~~

22 *SEC. 3.* Section 50464.5 is added to the Health and Safety
23 Code, to read:

24 50464.5. (a) The department shall conduct a statewide survey
25 of cities and counties to determine the total amount of fees and
26 charges imposed on new home construction by local jurisdictions.
27 The survey shall include the fees and charges imposed by at least
28 150 cities, at least one city within each county, and all 58 counties.
29 These fees and charges shall include, but not be limited to, all of
30 the following:

- 31 (1) Planning and zoning fees.
- 32 (2) Environmental documentation fees.
- 33 (3) Building permit fees.
- 34 (4) Plan check fees.
- 35 (5) School fees.
- 36 (6) School mitigation fees.
- 37 (7) Highway, road, traffic, and transit fees.
- 38 (8) Water, wastewater, sewer, and drainage fees.
- 39 (9) Utility or water connection fees.
- 40 (10) Public safety fees.

- 1 (11) Capital facilities fees.
- 2 (12) Affordable housing fees and assessments.
- 3 (13) Parks and recreation fees.
- 4 (b) The department shall complete this survey and submit its
- 5 findings to the Senate Committee on Transportation and Housing
- 6 and the Assembly Committee on Housing and Community
- 7 Development by January 1, 2017, and every five years thereafter.

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