SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 1021

Author: Wicks (D) and Muratsuchi (D), et al.

Amended: 7/17/25 in Senate

Vote: 21

SENATE LOCAL GOVERNMENT COMMITTEE: 6-1, 7/2/25 AYES: Durazo, Arreguín, Cabaldon, Laird, Seyarto, Wiener

NOES: Choi

SENATE HOUSING COMMITTEE: 9-1, 7/15/25

AYES: Wahab, Seyarto, Arreguín, Caballero, Cortese, Durazo, Gonzalez,

Grayson, Padilla NOES: Ochoa Bogh

NO VOTE RECORDED: Cabaldon

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 62-3, 5/27/25 - See last page for vote

SUBJECT: Housing: local educational agencies

SOURCE: California School Boards Association

Citylab-ucla TRiO Plus

DIGEST: This bill makes numerous changes to the provisions that make housing developments an allowable use on land owned by a local educational agency (LEA) and exempts these housing developments from the California Environmental Quality Act (CEQA).

ANALYSIS:

Existing law:

- 1) Authorizes, under AB 2295 (Bloom, Chapter 652, Statutes of 2022), a housing development project to be deemed an allowable use on any real property owned by an LEA if the development meets the following requirements:
 - a) The development has at least 10 units.
 - b) The housing development has a deed restriction that ensures, for a period of 55 years, that at least a majority of the units are set at a rent that is affordable to lower income households and that at least 30% of the units are affordable to lower-income households.
 - c) All of the units shall be rented by local educational employees, local public employees, followed by general members of the public, as specified.
 - d) The residential density for the housing development shall be the greater of the residential density allowed on the parcel by the city or county, or the applicable density deemed appropriate to accommodate housing for lower income households as provided under housing element law (known as the "Mullin densities" see Comment #2 below).
 - e) The height shall be the greater of 30 feet or the height limit allowed on the parcel by the city or county.
 - f) The property is adjacent to a property that permits residential uses.
 - g) The property is on an infill site, as specified.
 - h) Any housing built must be located on property that is entirely contained within any applicable urban limit line or urban growth boundary.
 - i) The housing development must satisfy other local objective zoning standards, objective subdivision standards, and objective design review standards that do not preclude the housing development from achieving the residential density or height permitted in this bill.
 - j) The housing development must comply with all infrastructure-related requirements, including impact fees that are existing or pending at the time

- the application is submitted, imposed by a city or county or a special district that provides service to the parcel.
- 2) Requires the LEA to maintain ownership of a housing development that meets the requirements of (2) for the length of the 55-year affordability covenant.

This bill:

- 1) Makes the following changes to AB 2295:
 - a) Revises the requirement for affordable units as follows to require a recorded deed restriction that ensures, for a period of at least 55 years:
 - i) That at least 30% of the total units of the housing development are set at a rent affordable to lower-income households, and at least 20% at a rent affordable to moderate-income households; or
 - ii) That at least 12% of the total units of the housing development shall be set at a rent affordable to very low-income households, at least 15% at a rent affordable to lower-income households, and at least 20% at a rent affordable to moderate-income households.
 - b) Authorizes an LEA, if it receives insufficient applications from LEA employees, to offer the unoccupied units to employees of other LEAs (rather than only the adjacent LEAs).
 - c) Revises height and density limits as specified and recasts the other zoning requirements that apply to these projects.
 - d) Deletes the requirements that the property must be adjacent to a property that permits residential uses as a principally permitted use and located on an infill site.
 - e) Prohibits a city or county from applying any individual or combination of objective zoning standards, objective subdivision standards, and objective design review standards to the project that preclude the development from being built at the proposed density.
 - f) Provides that a housing development proposed for an LEA site shall be eligible for a density bonus, incentives or concessions, waivers or reductions of development standards, and parking ratios under Density Bonus Law.

- g) Changes the definition of "affordable rent" to mean an amount consistent with rent limits established by the California Tax Credit Allocation Committee (instead of rent limits established in statute).
- h) Provides that "housing development project" has the same definition as under the Housing Accountability Act (HAA).
- i) Requires the city or county's review of a housing development to determine whether it complies with objective development standards, to comply with HAA requirements.
- j) Extends the sunset from 2033 to 2036.
- 2) Makes the following additional changes:
 - a) Clarifies an existing law provision, which authorizes a school district to elect not to appoint a school district advisory committee if the sale, lease, or rental of excess real property is to be used for teacher or school district employee housing, to specify that this includes housing under AB 2295.
 - b) Adds housing developments on LEA properties to an existing CEQA exemption for specified affordable housing projects on infill sites, as specified.

Background

Land use authority. The California Constitution allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public—including land use authority. Cities and counties enforce this land use authority through zoning regulations. Local governments use their police power to enact zoning ordinances that establish the types of land uses that are allowed or authorized in an area.

Regulation of other local governments. When building public works projects, cities and counties must follow their own general plans. All other local governments—including school districts—must submit their proposed public works projects so that city or county planners can see if the projects are consistent with general plans. Planners have up to 40 days to review another local government's proposed public works projects. If a project does not conform, the other local agency can overrule the general plan with a majority vote.

Cities and counties' zoning ordinances must be consistent with their general plans. School districts do not have to comply with local zoning unless the zoning ordinance provides sites for public schools. A school district can override that zoning on a two-thirds vote of its governing board if the district has given specified notice to the city or county. However, school districts can't use this override authority for "non-classroom" uses.

School workforce housing. According to a December 2021 report, Education Workforce Housing in California: Developing the 21st Century Campus, by cityLAB at the University of California Los Angeles (cityLAB-UCLA), there are more than 1,000 local educational agencies (LEAs) in California that collectively own more than 150,000 acres of land. Of that land, there are 7,068 properties with potentially developable land of one acre or more, totaling 75,000 acres statewide. At a density of 30 dwelling units per acre, such properties could contain 2.3 million units of housing—more than enough to house the state's 300,000 teachers and 350,000 other LEA employees.

Recent research identified 170 LEAs pursuing housing projects. However, to date, California is home to just ten completed education workforce housing developments with four more under construction.

The California School Boards Association, city LAB UCLA, and other housing advocates want to make changes to AB 2295 to encourage more development on LEA land.

Comments

- 1) Purpose of this bill. According to the author, "Our state's affordable housing crisis has a negative effect on so many aspects of our society including the ability for our local education agencies (LEAs) to attract and retain qualified employees. AB 1021 addresses this issue head-on, by making it easier for LEAs to facilitate housing for their workforce on their property. The fact that 30% of this housing must be affordable to lower income households means that this bill serves the needs of those LEA employees that need the housing the most."
- 2) Ship has sailed? AB 2295 made housing an "allowable use" on school district property, notwithstanding local zoning, and deemed the using this land for housing consistent with the general plan. While local governments can still impose objective standards knowable to the applicant prior to submitting an application, they still may not have sufficient ability to condition these projects to address their impacts. AB 2295 overrode the local general plan and zoning

processes that are the venue ensuring that the needs of the community can be balanced with the needs of the school district. AB 1021 removes the infill limitation to allow rural LEAs to address challenges their employees face finding housing. By removing the infill limitation, AB 1021 may induce sprawl, create housing where local amenities do not exist, and could eliminate valuable open space without consideration by the local government, which state law tasks with weighing these issues. Since AB 1021 exempts these projects from CEQA, which is one principal way that local governments examine the impact on public facilities and services, and these projects already do not have to be consistent with local general plans or zoning under existing law, it is unclear how impacts to public facilities and services from these developments will be accounted for. Expanding this authority outside of infill areas could help more LEAs address housing issues for their employees, but may create issues for cities, counties, and other local governments in terms of how connecting new development into existing communities.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 8/19/25)

California School Boards Association (co-source)

Citylab-ucla (co-source)

TRiO Plus (co-source)

Black Educator Advocates Network

California Apartment Association

California School Employees Association

California State Treasurer

California Yimby

Coalition for Adequate School Housing

End Poverty in California

Greenbelt Alliance

Kingmakers of Oakland

Los Angeles Unified School District

Oakland Fund for Public Innovation

Oakland Unifed School District

Partnership for Los Angeles Schools

Power California Action

OPPOSITION: (Verified 8/19/25)

None received

ASSEMBLY FLOOR: 62-3, 5/27/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Davies, Elhawary, Flora, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hoover, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas NOES: DeMaio, Gallagher, Tangipa

NO VOTE RECORDED: Boerner, Castillo, Chen, Dixon, Ellis, Jeff Gonzalez, Hadwick, Hart, Irwin, Lackey, Macedo, Nguyen, Sanchez, Ta

Prepared by: Jonathan Peterson / L. GOV. / (916) 651-4119 8/20/25 23:28:44

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