SENATE COMMITTEE ON LOCAL GOVERNMENT

Senator María Elena Durazo, Chair 2025 - 2026 Regular

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HOUSING DEVELOPMENT PROJECTS: OBJECTIVE STANDARDS: CAMPUS DEVELOPMENT ZONE

Expands provisions to allow for the use of the streamlined, ministerial review process for housing development projects to campus development zones.

Background

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.

Planning and Zoning Law. State law provides additional powers and duties for cities and counties regarding land use. The Planning and Zoning Law requires every county and city to adopt a general plan that sets out planned uses for all of the area covered by the plan. A general plan must include specified mandatory "elements," including a housing element that establishes the locations and densities of housing, and a land use element that describes the general categories of uses (such as multifamily residential, single family residential, retail commercial, and open space) that are allowed in specific portions of a jurisdiction. Cities' and counties' major land use decisions—including zoning ordinances and other aspects of development permitting—must be consistent with their general plans. General plans also include policies, standards, and mitigation measures that developments must comply with, to protect against flood hazards, fire hazards, and climate change, and to further environmental justice, among other state goals.

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. Zoning ordinances also contain provisions to physically shape development and impose other requirements, such as setting maximum heights and densities for housing units, minimum numbers of required parking spaces, setbacks, and lot coverage ratios. These ordinances can also include conditions on development to address aesthetics, community impacts, or other particular site-specific considerations.

Affordable Housing and High Road Jobs Act of 2022. One focus of housing legislation in recent years has been on allowing residential development on commercial sites. Development on these sites can draw less concern from local communities relative to development in residential areas because there are fewer existing residents. One significant measure the Legislature enacted

to facilitate this development was the Affordable Housing and High Road Jobs Act of 2022 (AB 2011, Wicks).

AB 2011 allows, until January 1, 2033, a development proponent to submit an application for an affordable housing development or a mixed-income housing development that meets specified objective standards, affordability and site criteria, including being located within a zone where office, retail, or parking are a principally permitted use. It also makes a development that meets those objective standards, affordability and site criteria a use by right and subject to one of two streamlined, ministerial review processes depending on, among other things, the affordability requirements applicable to the project.

To qualify for AB 2011, a project must meet or exceed one of the following affordability requirements:

- For rental units either of the following: (1) 15% of the units are affordable to lower-income households for 55 years; or (2) 8% of the units for very low-income households and 5% for extremely low income households for 55 years.
- For owner-occupied units, 30% of the units are affordable to moderate-income or 15% affordable to lower-income households for 45 years.

A local government can apply local affordable housing requirements, and in that case, the affordable units required to qualify for AB 2011 count towards meeting the local requirement, as specified.

AB 2011 requires the Department of Housing and Community Development (HCD) to produce studies in 2027 and 2031 on the outcomes of the Affordable Housing and High Road Jobs Act of 2022.

Housing challenges at colleges and universities. While many Californians are experiencing the state's housing crisis firsthand, students at colleges and universities face particularly acute challenges given that housing and education costs stretch their incomes thin. According to the May 2024 Update on Student Housing Assistance by the LAO, "Rates of students reporting homelessness at some point over the past 12 months ranged from 8 percent of respondents at UC to 24 percent of respondents at CCC." These rates were even greater for Black students, students qualifying for federal student aid, and LGBTO students.

The Student Homes Coalition and the University of California Student Association want to streamline housing production near campuses using the AB 2011 streamlined review process as a model.

Proposed Law

Assembly Bill 893 expands AB 2011's provisions to "campus development zones," and makes changes to AB 2011 generally.

Campus development zones. AB 893 allows for the use of the AB 2011 streamlined, ministerial review process for housing development projects in provided that:

- The housing development in a campus development zone will meet affordability requirements similar to those in AB 2011, except that instead of applying just to lower income households, the affordability requirements also apply to lower income students, faculty, and staff;
- Provides that the eligibility of a student to occupy an affordable unit shall be verified by an affidavit, award letter, or letter of eligibility demonstrating that the student is eligible for financial aid or experiencing homelessness.
- The project meets the same requirements as properties that front commercial corridors, including that the local agency cannot require setbacks unless otherwise specified, and on the ground floor, a building or buildings must be within 10 feet of the street for at least 80 percent of the frontage.

The measure establishes the following height limits for developments in campus development zones:

- Forty-five feet, if not located in a metropolitan jurisdiction, as defined in existing law; and
- Sixty-five feet, if located in a metropolitan jurisdiction.

Similarly, the measure establishes the following densities for developments in campus development zones:

- For metropolitan jurisdictions, allows density up to the greater of the local allowable density or 80 units per acre;
- For nonmetropolitan jurisdictions: allows density up to the greater of the local allowable density or 70 units per acre; and
- A minimum density of 52.5 units per acre if the local agency deems the housing development application consistent with objective standards before January 1, 2027.

AB 893 requires the 2031 HCD report to include an assessment of outcomes related to the provisions added by this bill.

General AB 2011 changes. The measure also makes changes that apply to all AB 2011 projects, not just those in campus development zones:

- Provides that easements for public right-of-way, public or private utilities, or other public
 improvements in, under, or over the property cannot make the property ineligible for
 streamlined, ministerial review for a mixed-income affordable housing development;
- Provides that a local government's review must be limited to the area described in the application and cannot include, unless expressly stated otherwise, other contiguous or noncontiguous areas even if under the ownership or control of the project proponent; and
- Amends the 25-foot parking setback requirement applicable to housing developments that front commercial corridors to specify that it is only applicable to aboveground parking, and applies the modified requirement to housing developments in campus development zones.

Finally, the measure defines its terms.

Comments

- 1. Purpose of the bill. According to the author, "California continues to be plagued by its housing crisis, short millions of the units needed to reduce the burden of housing costs. This has contributed to homelessness, eroded our quality of life, and stifled our economy. Recent changes in housing law have shown some results but we have yet to turn the tide on housing affordability. Student housing insecurity and student homelessness in particular affects millions of students in our city colleges, CSUs, and UCs. Additionally, students are excluded from many affordable housing units due to policies that don't reflect current conditions and current student demographics. AB 893 addresses these pressing issues by expanding the streamlined, ministerial review process created by AB 2011 to commercially zoned parcels that are within a one-half mile of universities' main campuses. It expands and streamlines eligibility for affordable units to students who would be able to demonstrate need via their financial aid awards. AB 893 builds on existing momentum and sets the groundwork for California to move the needle on the housing costs that are disproportionately affecting students, and it does this while increasing the vitality of the campus communities we know and love."
- 2. One size fits all? California is a geographically and demographically diverse state, and that is reflected in its 482 cities and 58 counties. Local elected officials for each of those municipalities are charged by the California Constitution with protecting their citizens' welfare. One chief way local governments do this is by exercising control over what gets built in their community. Local officials weigh the need for additional housing against the concerns and desires of their constituents. Where appropriate, those officials enact ordinances to shape their communities based on local conditions and desires. Moreover, these planning actions and decisions take place within the confines of state laws that require local governments to plan and zone for new housing, subject to approval by HCD, and under threat of fines for improper denial as a result of recent legislation on the Housing Accountability Act. Like AB 2011 before it, AB 893 disregards these efforts and the unique features of California's communities by imposing the same zoning standards statewide. It uniformly imposes prescriptive standards for height, setbacks, and density regardless of the specific characteristics of the community. While the density metrics in the bill nod to metropolitan and non-metropolitan jurisdictions, the bill treats cities as disparate as Los Angeles and Eureka the same.
- 3. Gotta keep 'em separated. A fundamental principle of zoning since the United States Supreme Court upheld an early zoning ordinance in 1926 (Village of Euclid v. Ambler Realty Co., 272 U.S. 365 (1926)) has been that allowing some uses in one area but prohibiting others can be integral to protecting the public welfare. Local governments have historically separated uses to avoid siting incompatible activities, such as agriculture and residential activity, near one another. It also mitigates potential public health issues, such as air pollution impacts from heavy industrial uses on nearby residents. Like AB 2011 before it, AB 893 makes housing a use by right on properties that are zoned instead for office and retail uses within ½ mile of a campus, which contravenes this principle. It also undermines the planning decisions made by local officials, who established which uses are allowed and at what intensity. Since AB 893 establishes housing as a use by right on many parcels through state legislative action, which does not require analysis under the California Environmental Quality Act (CEQA). However, if local agencies were to enact an ordinance accomplishing the same rezoning as in AB 893, that ordinance would likely be considered a project under CEQA and therefore undergo environmental review that won't occur under AB 893. Should the state allow this type of residential use in places where local governments have decided it is not appropriate?

- 4. <u>Tailor made</u>. AB 893 raises many of the same questions that AB 2011 did. When the Legislature enacted AB 2011, it allowed these projects throughout the state, which may already include some parcels in campus development zones. AB 893 tailors AB 2011's provisions to focus on projects that include housing for lower-income students, faculty, and staff. However, the measure does not guarantee that developers offer housings units to students, faculty, and staff before they open the development up to the broader community. Is AB 893 sufficiently tailored to meaningfully address the specific housing problems that students, faculty, and staff face?
- 5. Related legislation. The Legislature is considering other measures related to AB 893:
 - AB 648 (Zbur) makes the construction of a faculty, staff, and/or student housing project exempt from local zoning if constructed on property the community college districts owns or leases if the parcel is within ½ mile of a main or satellite community college campus. The measure is also scheduled for the Committee's July 16th meeting.
 - AB 1021 (Wicks), which this Committee passed at its July 2nd meeting on a 6-1 vote, makes numerous changes to the provisions that make housing developments an allowable use on land owned by a local educational agency and exempts these housing developments from the California Environmental Quality Act. The measure is currently pending in the Committee on Housing.
- 6. <u>Incoming!</u> The Senate Rules Committee has ordered a double referral of AB 893: first to the Committee on Housing, which approved AB 893 at its July 1st hearing on a vote of 9-1, and second to the Committee on Local Government.

Assembly Actions

Assembly Housing and Community Development Committee:	10-1
Assembly Local Government Committee:	9-0
Assembly Appropriations Committee:	10-0
Assembly Floor:	65-5

Support and Opposition (7/11/25)

Support: Power California Action (Co-Sponsor)

Student Homes Coalition (Co-Sponsor)

Abode Housing Development

Abundant Housing LA

Associated General Contractors, California Chapters

California Apartment Association

California Community Builders

California Community Colleges Chancellor's Office

California School Employees Association

California State University, Office of the Chancellor

California Yimby

Cft- a Union of Educators & Classified Professionals, Aft, Afl-cio

Construction Employers' Association

East Bay Yimby

Fieldstead and Company, INC.

Genup

Grow the Richmond

Housing Action Coalition

Lieutenant Governor Eleni Kounalakis

Lisc San Diego

Mountain View Yimby

Napa-solano for Everyone

Northern Neighbors Sf

Orange County United Way

Our Time to ACT

Peninsula for Everyone

People for Housing - Orange County

San Clemente Affordable Housing Coalition

San Francisco Yimby

Santa Cruz Yimby

Santa Rosa Yimby

Sloco Yimby

South Bay Yimby

Spur

Student Senate for California Community Colleges

The Central Valley Urban Institute

The Kennedy Commission

UC San Diego Housing Commission

United to End Homelessness

United Ways of California (UWCA)

University of California

University of California Student Association

Ventura County Yimby

Welcoming Neighbors Home

Yimby Action

Yimby Los Angeles

Opposition: City of San Marcos

City of Santa Clarita