

SENATE BILL SB-40

Introduced by Senator Christopher Cabaldon (D-3)

An act relating to High density housing and zoning development Act.

LEGISLATIVE COUNSEL'S DIGEST

SB-40, Christopher Cabaldon (D-3). High density housing and zoning development Act.

This bill would increase housing production by allowing cities and counties to establish High Density Friendly Zones where high-density residential development is easier and faster to approve. These zones would require access to basic infrastructure and would prioritize housing for moderate-, low-, very low-, extremely low-, and acutely low-income households in accordance with regional housing needs. The bill would also create a High Density Housing Revolving Fund that provides low-interest loans for development, with loan repayments and a 5% monthly tax on rental revenue returning to the fund to finance future housing projects.

Vote: 2/3rds. **Appropriations/fiscal:** yes. **Local program:** yes.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

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SECTION 1

This act shall be known as the high density housing and zoning development act

SECTION 2.

- a. *A city or county may establish one or more high density friendly zones within its jurisdiction with a ⅔ vote.*
- b. *A high density friendly zone must contain at least 8 separate parcels.*
- c. *Within a high density friendly zone local government shall permit zoning that allows for high density units.*
- d. *A high density friendly zone shall consist of land that:*
 1. *Is with an existing urbanized area or area appropriate to residential development*
 2. *Has access to electricity, water, and waste water infrastructure*
 3. *Not on land prohibited by state or federal law for residential development*
 4. *Environmentally Significant Areas (ESAs) identified by local or regional plans for their sensitivity or high ecological value.*
- e. *Residential development in a high density friendly zone will be targeted to create housing at a percentage per high density friendly zone. Allocated consistently with the area regional housing needs allocation plan for moderate income, low income, very low income, extremely low income, and acutely low income.*
- f. *A qualifying high density friendly zone will be subject to ministerial approval by the city or county in which it was passed, and will not require a permit or discretionary approval on whether residential use itself shall be permitted.*
- g. *A qualifying high density friendly zone will be permitted to contain at least 6 dwelling units per parcel.*

SECTION 3.

- a. *The department of housing and community development shall create a high density housing revolving fund exclusively for financing housing in high density friendly zones with initial funding of \$2 million yearly from the state budget.*
- b. *The high density housing revolving fund will assist in developing high density housing in high density friendly zones by offering low interest loans at 8% that once paid off will return to the high density housing revolving fund to help fund more developments.*
- c. *Rent will be stabilized based on the average of median rent level of the particular unit as described in section (2)e*
- d. *Once high density units are complete there will be a 5% tax on rent that will be taken from landlords revenue per month to be contributed into the high density housing revolving fund*