



councils of government (COGs) allocate housing within each region based on these estimates (where a COG does not exist, HCD makes the determinations); and (c) cities and counties incorporate their allocations into their housing elements.

- 6) Requires cities and counties to prepare and adopt a general plan, including a housing element, to guide the future growth of a community. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policy objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. Requires the housing element to contain an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs.
- 7) Requires a locality's inventory of land suitable for residential development to be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the locality's share of the regional housing need for all income levels.
  - a) Requires the inventory to provide certain information on each site, such as the general plan designation and zoning of each site and available infrastructure;
  - b) Requires the inventory of land to specify the additional development potential for each non-vacant site within the planning period and an explanation of the methodology used to determine the development potential; and
  - c) Requires sites identified for very low- and low-income households to have a minimum allowable density of 30 units per acre for metropolitan jurisdictions and 20 units per acre for suburban jurisdictions.
- 8) Requires a local government to determine whether each site in the site inventory can accommodate some portion of the jurisdiction's share of the RHNA by income category during the housing element planning period. A community either must use the "default zoning densities" or "Mullin densities" to determine whether a site is adequately zoned for lower income housing or must provide an alternative analysis. Current Mullin densities:
  - a) 15 units/acre—cities within non-metropolitan counties; nonmetropolitan counties with metropolitan areas
  - b) 10 units/acre—unincorporated areas in all non-metropolitan counties not included in the 15 units/acre category
  - c) 20 units/acre—suburban jurisdictions
  - d) 30 units/acre—jurisdictions in metropolitan counties

**This bill:**

- 1) Requires a local government to ministerially approve, without discretionary review or a hearing, a parcel map or a tentative and final map for a housing development project that meets the following requirements:
  - a) The project contains 10 or fewer single-family residential units.
  - b) The proposed development is located on a lot that meets both of the following sets of requirements:
    - i) The lot is either zoned multifamily residential or vacant and zoned for single-family residential development.
    - ii) The lot is no larger than 5 acres and substantially surrounded by qualified urban uses.
  - c) The single-family units are constructed on fee simple ownership lots.
  - d) The proposed development will meet one of the following:
    - i) If identified in the housing element, the development will result in at least as many units as projected for that parcel.
    - ii) If not identified in the housing element, the development will result in at least as many units as the maximum allowable residential density, unless the zoning for the site allows for midrange density.
    - iii) If midrange density is specified for the site, the development will result in at least as many units as are allowed under the midrange development standard.
  - e) The residential properties within 500 feet of the site are zoned to have allowable density of less than 30 dwelling units per acre.
  - f) The site complies with the external existing site front, side, and rear setback requirements.
  - g) The proposed units comply with existing height limits, if applicable.
  - h) The jurisdiction has adopted a housing element deemed by HCD to be in substantial compliance with housing element law.
  - i) The site is not identified in the housing element as a site to accommodate the jurisdiction's regional housing need for low-income or very low-income households.
  - j) The average total area of floorspace of the proposed units does not exceed 1,750 net habitable square feet.
  - k) The development complies with any local inclusionary ordinance.

- 1) The development does not require the demolition or alteration of any of the following types of housing:
  - i) Housing subject to a recorded covenant, ordinance, or law that restricts rent to levels affordable to persons and families of moderate, low or very low incomes.
  - ii) Housing that is subject to any form of rent or price control.
  - iii) Housing occupied by tenants within the last seven years preceding the date of application.
  - iv) A parcel on which an owner has not exercised their rights under the Ellis Act in the last 15 years.
  
- m) The parcel is not located on a site that is environmentally sensitive, as specified.
  
- 2) Requires a local agency to issue a building permit for a subdivision if the applicant has met both of the following requirements:
  - a) The applicant has received a tentative map approval or parcel map approval subject to (1) above.
  - b) The applicant has submitted proof to the satisfaction of the local agency of a recorded covenant and agreement that states both of the following:
    - i) The total number of units does not exceed 10.
    - ii) The local agency shall issue the building permit based upon the tentative or parcel map approved by (1) above.

**COMMENTS:**

- 1) *Author's statement.* "California has a housing shortage of nearly 3.5 million homes, and for the past decade, has produced only 45% of the housing units to meet the need for our growing population. Recently, housing production has disproportionately favored rental housing, a critical component of the state's housing need; however, the lack of construction of new homes for sale has created a major disadvantage for first-time homebuyers. Homeownership is the primary way in which most Americans build wealth, but People of Color, who make up more than 60% of the state's population, pay the heaviest price for California's broken housing market. African American and Latino homeownership rates are 26% and 19% lower, respectively, than White Californians. SB 684 streamlines the permitting process and removes burdensome barriers under the Subdivision Map Act that extend the development timeline, limiting the ability to create new homeownership

opportunities. This bill enables the construction of more homes for sale on a single parcel of land as long as the appropriate legal assurances and protections are provided. By increasing the supply of small, low-cost, homes for sale, SB 684 opens the door to generational wealth for so many who have historically been excluded from achieving the California Dream.“

- 2) *Subdivision Map Act (SMA)*. The SMA grants local governments the power to regulate and control the design and improvement of subdivisions within its boundaries. Each city must adopt an ordinance regulating and controlling subdivisions for which the SMA requires a tentative and final or parcel map. The SMA also provides mandates that must be followed for subdivision processing and allows a city to impose conditions on the subdivision process when the SMA is silent. The SMA’s primary goals are to: (1) encourage orderly community development with a consideration of its relation to adjoining areas, (2) ensure that the areas within the subdivision that are dedicated for public purposes will be properly improved by the subdivider; and (3) to protect the public and individual transferees from fraud and exploitation. Generally, the SMA distinguishes between a subdivision consisting of five or more parcels (*e.g.*, condominiums, a community apartment project containing five or more parcels, or the conversion of a dwelling to a stock cooperative of five or more parcels) and one consisting of four or fewer parcels; the former requires a tentative and final map while the later requires just a parcel map.

When a final map is required, a tentative map is always required whereas parcel maps do not. A local ordinance may, and often do, require a tentative map where a parcel map is required. The local government will specify in its ordinance what type of governmental review is required and identifies the “advisory agency.” Under the SMA, a city has 30 days to determine whether an application is complete. Approval of a map does not in itself confer a right to develop; no right to develop exists until actual building or other permits for identifiable building have been issued, and substantial work has been done thereafter in reliance on those permits.

- 3) *Modest density increases*. California’s high — and rising — land costs necessitate dense housing construction for a project to be financially viable and for the housing to ultimately be affordable to lower-income households. Yet, recent trends in California show that new housing has not commensurately increased in density. In a 2016 analysis, the Legislative Analyst’s Office (LAO) found that the housing density of a typical neighborhood in California’s coastal metropolitan areas increased only by four percent during the 2000s. In addition, the pattern of development in California has changed in ways that limit new housing opportunities. A 2016 analysis by BuildZoom found that

new development has shifted from moderate-, but widespread, density to pockets of high-density housing near downtown cores surrounded by vast swaths of low-density single-family housing. Specifically, construction of moderately-dense housing (*i.e.* 2 to 49 units) in California peaked in the 1960s and 1970s and has slowed in recent decades.

A 2019 Zillow report found that even modest densification, such as duplexes and fourplexes could result in millions more homes. Across 17 metro areas analyzed nationwide, allowing 10% of single-family lots to house two units instead of one could yield almost 3.3 million additional housing units to the existing housing stock. In the L.A. region, if one in five single-family lots were re-zoned to hold two homes, the local housing stock could be boosted by 775,000 homes.

- 4) *Creating more missing middle housing types.* Another method of lowering the cost of housing is to facilitate the construction of “missing middle” housing types that generate more units per acre, such as town homes, duplexes, and fourplexes. Several cities have sought to encourage the development of smaller “starter homes,” such as town homes and bungalows in single-family neighborhoods, as well as in areas zoned for commercial and multifamily development that remain undeveloped or underdeveloped by adopting small lot ordinances that streamline the development process for smaller homes. For example, using its existing authority under the SMA, the City of Los Angeles allows for the development of small lot subdivisions that relax minimum lot sizes, setbacks, and other requirements to allow for the creation of small homes on separately saleable lots.

AB 803 (Boerner-Horvath, 2020) incentivized the construction of modestly dense homes designed for ownership at more affordable prices than neighboring single-family homes. It did this by removing the ability for local agencies to impose setback requirements between units and minimum lot sizes, and reducing parking requirements. It also precludes a local agency from requiring a small home lot development to be within a homeowners association. This is likely due to the fact that homeownership dues can significantly add to the cost of ownership.

This bill would streamline small lot subdivisions to help promote their development. It would require local governments to ministerially approve a parcel map or tentative and final map on projects with 10 or fewer units on sites zoned multifamily or vacant sites that are zoned single-family. Projects should meet minimum density requirements, as established in the housing element for that parcel, and comply with existing setback and height requirements. The

project must also comply with any local inclusionary requirements. If the project receives a tentative or parcel map pursuant to this bill, the local agency must issue the building permit based on the approved map under specified circumstances.

5) *Double referral.* This bill was heard in Governance and Finance Committee on April 12, 2023 and passed on a 5-0 vote.

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday, April 19, 2023.)

**SUPPORT:**

California Community Builders (Co-Sponsor)  
California YIMBY (Co-Sponsor)  
Central Valley Urban Institute (Co-Sponsor)  
LISC San Diego (Co-Sponsor)  
21st Century Alliance  
Abundant Housing LA  
All Home  
Asian Business Association of Silicon Valley  
Bay Area Council  
California Black Chamber of Commerce  
California Building Industry Association (CBIA)  
California Journal for Filipino Americans  
California Reinvestment Coalition  
Casita Coalition  
Central City Association  
Community Build, INC.  
Community Consumer Defense League  
Community Housing Opportunities Corp  
Cornerstone Construction  
Council of Infill Builders  
East Bay YIMBY  
Faith and Community Empowerment  
Farmworkers Institute of Education & Leadership Development  
Fremont for Everyone  
Groundswell for Water Justice  
Grow the Richmond  
Habitat for Humanity California

Hope Through Housing Foundation  
How to ADU  
Inclusive Lafayette  
Inland Empire Latino Coalition  
Jesse Miranda Center for Hispanic  
Mountain View YIMBY  
Napa-Solano for Everyone  
National Diversity Coalition  
National Federation of Filipino American Associations  
New California Coalition  
New Way Homes  
North Bay Leadership Council  
Northern Neighbors  
Peninsula for Everyone  
People for Housing - Orange County  
People for Housing Orange County  
Progress Noe Valley  
Salef  
San Francisco Bay Area Planning and Urban Research Association (SPUR)  
San Francisco YIMBY  
San Luis Obispo YIMBY  
Santa Cruz YIMBY  
Santa Rosa YIMBY  
South Bay YIMBY  
Southern California Black Chamber of Commerce  
Southern California Leadership Council  
Southside Forward  
Sustainable Growth Yolo  
Tentmakers INC  
Terrahome  
The Two Hundred  
The Unity Council  
Unidosus  
Urban Environmentalists  
Urban League of San Diego County  
Ventura County Community Development Corp  
Ventura County YIMBY  
Westside for Everyone  
YIMBY Action



**OPPOSITION:**

None received.

**-- END --**