



THE HOUSING CRISIS ACT (SB 330)

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City of Murrieta – Development Services Department
1 Town Square, Murrieta CA 92562

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California Senate Bill 330 (SB330), the Housing Crisis Act (HCA), was signed by Governor Newsom on October 9th and became effective on January 1, 2020.

This Information Bulletin is intended to outline the allowances provided under this new law and the limitations imposed on jurisdictions to regulate land use.

I. BACKGROUND

SB 330 is in response to the idea that needed housing has largely already been planned for by local communities but remains unbuilt. According to a 2019 report prepared by UCLA Lewis Center for Regional Policy Studies, cities and counties in the state have collectively approved zoning for roughly 2.8M new housing units. However, the housing is not getting built.

Developers cite the lack of housing production to growing regulatory requirements, permit processing delays, and excessive impact and service fees. In response, the HCA was designed to help streamline the entitlement process by requiring cities and counties to reduce the time and expense necessary to process permits for housing. Under the terms of the HCA, the following shall be in place for the next five years (expires 2025).

II. NEW STREAMLINED REVIEW WITH MORE PROTECTIONS

HCA establishes a “preliminary application process” where housing development (residential, certain mixed-use, and transitional or supportive housing) that goes through this process will be eligible for streamlined review, subject only to those ordinances, policies, and fees in effect when the preliminary application is submitted. This includes fees imposed by a county, school district, special district, authority, agency, any municipal public corporation or district, or other political subdivision of the state.

Under the HCA, the permit processing timeframes currently provided for under the Permit Streamlining Act (PSA) are shortened. Jurisdictions now have 90 days, instead of 120 days under PSA, to approve the project once the Environmental Impact Report is certified (60 days if a Mitigated Negative Declaration or Exemption is used). For low-income projects seeking tax credits or other public funding, that time frame is 60 days.

**Documents Referenced in this
Information Bulletin**

- [The Housing Crisis Act, §SB330](#)
- [Pre-Application Process, IB-225](#)

SB 330 also prohibits a jurisdiction from holding more than five “hearings” when reviewing a housing project that complies with the general plan and zoning code. The term “hearing” under the HCA is broadly defined to include workshops and some public meetings (community outreach, special study sessions, etc.).

Once the completed preliminary application is submitted and accepted, the developer must submit a formal permit application within 180 days from the submittal date of the preliminary application. Failure to meet this deadline nullifies the HCA protections.

There are exemptions under SB330 allowing jurisdictions to impose new and/or current fees or development standards under certain circumstances, as reflected below.

- Automatic fee adjustments, when those fees and escalation clauses which were in effect at the time of the Preliminary Application submittal application date;
- New adopted standards necessary to avoid a specific, adverse public health or safety impact;
- Mitigation measures necessary to mitigate the adverse environmental impacts created by the project (CEQA compliance);
- Development Impact Fees and most standards are locked-in for 2.5 years after final approval (can be tolled for appeals/litigation);
- The project changes by 20 percent or more from the project submitted as part of the preliminary application; and,
- Post occupancy requirements applied to a housing development site. This can include new ordinances and standards - such as new short-term vacation rental prohibitions, rent control, etc.

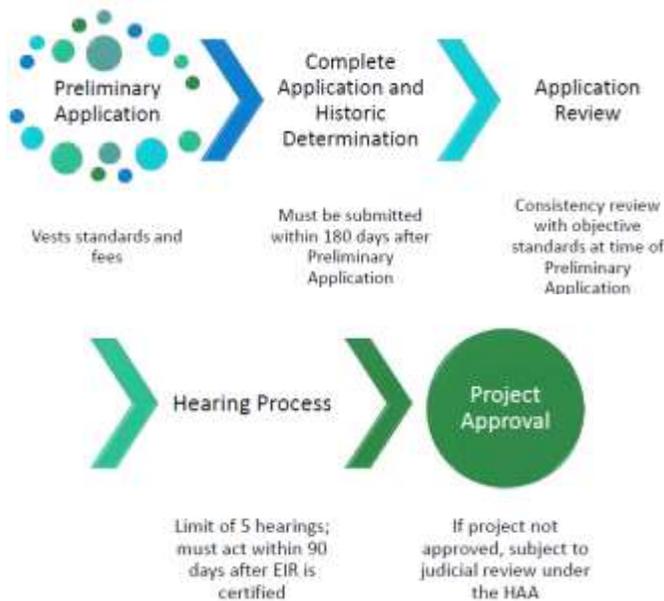
III. CITY’S UPDATED PRE-APPLICATION PROCESS

To facilitate this process, HCA requires that jurisdictions develop a checklist that specifies the requirements for a development application. This initial checklist is important because a jurisdiction may not request the applicant to provide any new information that was not listed in the initial checklist.

The Development Services Department has updated its “Pre-Application Process” to include the new HCA standards. Please refer to Information Bulletin IB-225 on the new pre-application process for HCA compliance.

Applicants MUST go through the City’s Pre-Application Process in order to be eligible for streamlined review under HCA.

Overview of Steps in Processing



- Limits the number of annual land use approvals for housing;
- Acts as a cap on the number of housing units that can be constructed; or,
- Limits the population.
- Imposing or enforcing a moratorium on a housing development, including mixed-use developments; and,
- Imposing or enforcing new design standards established on or after January 1, 2020, that are not objective design standards on housing developments.

Additionally, SB 330 adds provisions regarding:

- Demolition criteria for units removed.
- Limitations with respect to replacement of affordable designated units and Tenant Protections.

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IV. LOCAL LIMITATIONS & PROHIBITIONS

The HCA also freezes many subjective local development standards and limits a jurisdiction’s ability to change existing land use allowances. For example, jurisdictions, including its voters by referendum or initiative, are prohibited from the following.

- Changing their land use laws (general plan and/or zoning) to remove, limit, or otherwise restrict housing that is currently an allowed use;
- Establishing or implementing a growth-control measure adopted by voters after 2005 that: