#### CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

### ASSEMBLY BILL NO. 670

## Introduced by Assembly Member Quirk-Silva

February 14, 2025

An act to amend Section 65400 of, and to add Section 65400.3 to, the Government Code, relating to housing.

## LEGISLATIVE COUNSEL'S DIGEST

AB 670, as introduced, Quirk-Silva. Planning and zoning: housing element: converted affordable housing units.

Existing law, the Planning and Zoning Law, requires each city, county, and city and county to adopt a general plan that includes, among other things, a housing element. After a legislative body has adopted all or part of a general plan, existing law requires a planning agency among other things, to provide by April 1 of each year an annual report to specified entities that includes prescribed information, including the number of housing development applications received in the prior year, as specified, the number of units of housing demolished and new units of housing, as specified.

This bill would require specified information to be included in the report, including additional information regarding units of new housing, the units of housing demolished, and a report on replacement housing units, as specified.

For purposes of the housing element portion of the report described above, existing law authorizes a planning agency to include the number of units in an existing multifamily building that were converted to deed-restricted rental housing for moderate-income households by the imposition of affordability covenants and restrictions for the unit, as specified, if the units meet certain criteria.

This bill would, for purposes of the housing element portion of the report described above, authorize a planning agency to include the number of units in an existing multifamily building that were converted to affordable housing by imposition of long-term affordability covenants and restrictions that require the unit to be available to persons or families of low, very low, extremely low, or acutely low income at an affordable rent or affordable housing cost for at least 55 years, if the units meet certain criteria.

# **Digest Key**

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

## **Bill Text**

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

## **SECTION 1.** Section 65400 of the Government Code is amended to read:

65400. (a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

- (1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.
- (2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, Land Use and Climate Innovation, and the Department of Housing and Community Development that includes all of the following:
  - (A) The status of the plan and progress in its implementation.
  - (B) (i) (I) The progress in meeting its share of regional housing needs determined pursuant to Section 65584, including the need for extremely low income households, as determined pursuant to Section 65583, and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.
    - (II) The annual report shall include the progress in meeting the city's or county's progress in meeting its share of regional housing need, as described in subclause (I), for the sixth and previous revisions of the housing element.
    - (ii) The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of standards, forms, and definitions adopted by the Department of Housing and Community Development. The department may review, adopt, amend, and repeal the standards, forms, or definitions to implement this article. Any standards, forms, or definitions adopted to implement this article shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. Before and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government's compliance with the deadlines in its housing element. The report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.
    - (iii) The report may include the number of units that have been completed pursuant to subdivision (c) of Section 65583.1. For purposes of this paragraph, committed assistance may be executed throughout the planning period, and the program under paragraph (1) of subdivision (c) of Section 65583.1 shall not be required. The report shall document how the units meet the standards set forth in that subdivision.
    - (iv) The planning agency shall include the number of units in a student housing development for lower income students for which the developer of the student housing development was granted a density bonus pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 65915.
  - (C) The number of housing development applications received in the prior year, including whether each housing development application is subject to a ministerial or discretionary approval process, and whether each application is subject to a replacement housing or relocation assistance obligation pursuant to local, state, or federal law, including, but not limited to, Section 65583.2, 65915, or 66300.6.

- (D) The number of units included in all development applications in the prior year.
- (E) (i) The number of units approved and disapproved in the prior year, which shall include all of the following subcategories:
  - (I) The number of units located within an opportunity area.
  - (II) For the seventh and each subsequent revision of the housing element, the number of units approved and disapproved for acutely low income households within each opportunity area.
  - (III) For the seventh and each subsequent revision of the housing element, the number of units approved and disapproved for extremely low income households within each opportunity area.
  - (IV) The number of units approved and disapproved for very low income households within each opportunity area.
  - (V) The number of units approved and disapproved for lower income households within each opportunity area.
  - (VI) The number of units approved and disapproved for moderate-income households within each opportunity area.
  - (VII) The number of units approved and disapproved for above moderate-income households within each opportunity area.
  - (ii) For purposes of this subparagraph, "opportunity area" means a highest, high, moderate, or low resource area pursuant to the most recent "CTCAC/HCD Opportunity Map" published by the California Tax Credit Allocation Committee and the Department of Housing and Community Development.
- (F) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.
- (G) A listing of sites rezoned to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory required by paragraph (1) of subdivision (c) of Section 65583 and Section 65584.09. The listing of sites shall also include any additional sites that may have been required to be identified by Section 65863.
- (H) (i) The number of units of housing demolished and new units of housing, including both rental housing and for-sale housing and any units that the County of Napa or the City of Napa may report pursuant to an agreement entered into pursuant to Section 65584.08, that have been issued a completed entitlement, a building permit, or a certificate of occupancy, thus far in the housing element cycle, and the income category, by area median income category, that each unit of housing satisfies. That production report shall do the following:
  - (I) For each income category described in this subparagraph, distinguish between the number of rental housing units and the number of for-sale units that satisfy each income category.
  - (II) For each entitlement, building permit, or certificate of occupancy, include a unique site identifier that must include the assessor's parcel number, but may also include street address, or other identifiers.
  - (III) For each entitlement, building permit, or certificate of occupancy, include the total number of replacement housing units by income level required pursuant to local, state, or federal law, including, but not limited to, Section 65583.2, 65915, or 66300.6.

- (IV) For each entitlement, building permit, or certificate of occupancy, include the number, by income level, of replacement housing units entitled, permitted, or issued a certificate of occupancy.
- (ii) For the County of Napa and the City of Napa, the production report may report units identified in the agreement entered into pursuant to Section 65584.08.
- (I) The number of applications submitted pursuant to subdivision (a) of Section 65913.4, the location and the total number of developments approved pursuant to subdivision (c) of Section 65913.4, the total number of building permits issued pursuant to subdivision (c) of Section 65913.4, the total number of units including both rental housing and for-sale housing by area median income category constructed using the process provided for in subdivision (c) of Section 65913.4.
- (J) If the city or county has received funding pursuant to the Local Government Planning Support Grants Program (Chapter 3.1 (commencing with Section 50515) of Part 2 of Division 31 of the Health and Safety Code), the information required pursuant to subdivision (a) of Section 50515.04 of the Health and Safety Code.
- (K) The progress of the city or county in adopting or amending its general plan or local open-space element in compliance with its obligations to consult with California Native American tribes, and to identify and protect, preserve, and mitigate impacts to places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code, pursuant to Chapter 905 of the Statutes of 2004.
- (L) The following information with respect to density bonuses granted in accordance with Section 65915:
  - (i) The number of density bonus applications received by the city or county.
  - (ii) The number of density bonus applications approved by the city or county.
  - (iii) Data from all projects approved to receive a density bonus from the city or county, including, but not limited to, the percentage of density bonus received, the percentage of affordable units in the project, the number of other incentives or concessions granted to the project, and any waiver or reduction of parking standards for the project.
- (M) The following information with respect to each application submitted pursuant to Chapter 4.1 (commencing with Section 65912.100):
  - (i) The location of the project.
  - (ii) The status of the project, including whether it has been entitled, whether a building permit has been issued, and whether or not it has been completed.
  - (iii) The number of units in the project.
  - (iv) The number of units in the project that are rental housing.
  - (v) The number of units in the project that are for-sale housing.
  - (vi) The household income category of the units, as determined pursuant to subdivision (f) of Section 65584.
- (N) A list of all historic designations listed on the National Register of Historic Places, the California Register of Historic Resources, or a local register of historic places by the city or county in the past year, and the status of any housing development projects proposed for the new historic designations, including all of the following:
  - (i) Whether the housing development project has been entitled.

- (ii) Whether a building permit has been issued for the housing development project.
- (iii) The number of units in the housing development project.
- (O) A report on the demolition of housing units for any purpose, which shall include, but not be limited to, all of the following:
  - (i) The total number of housing units approved for demolition during the year.
  - (ii) The total number of housing units demolished during the year.
  - (iii) For each approved or completed demolition, all of the following:
    - (I) The location of the approved or completed demolition, using a unique site identifier that shall include the assessor's parcel number, and may also include the street address or other identifiers.
    - (II) The date the demolition was approved.
    - (III) The total number of rental and ownership units demolished or approved for demolition.
    - (IV) The number, by income-level, of protected units, as defined in subdivision (h) of Section 66300.5, demolished or approved for demolition.
    - (V) A description of any approved uses on the site.
    - (VI) A description of any relocation assistance provided as required pursuant to local, state, or federal law, including, but not limited to, the relocation assistance required to be provided to each displaced occupant of any demolished protected unit pursuant to Section 66300.6.
- (P) A report on replacement housing units required pursuant to local, state, or federal law, including, but not limited to, Section 66300.6, for approved development projects that are not housing development projects, which shall include, for each applicable development project, all of the following:
  - (i) The approved or proposed location of the replacement units, using a unique site identifier that shall include the assessor's parcel number, and may also include the street address, or other identifiers.
  - (ii) The entity that is developing the replacement units.
  - (iii) The replacement units' anticipated completion date.
- (b) (1) (A) The department may request corrections to the housing element portion of an annual report submitted pursuant to paragraph (2) of subdivision (a) within 90 days of receipt. A planning agency shall make the requested corrections within 30 days after which the department may reject the report if the report is not in substantial compliance with the requirements of that paragraph.
  - (B) If the department rejects the housing element portion of an annual report as authorized by subparagraph (A), the department shall provide the reasons the report is inconsistent with paragraph (2) of subdivision (a) to the planning agency in writing.
  - (2) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its

order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

(c) The Department of Housing and Community Development shall post a report submitted pursuant to this section on its internet website within a reasonable time of receiving the report.

**SEC. 2.** Section 65400.3 is added to the Government Code, to read:

## 65400.3. (a) For purposes of this section:

- (1) "Acutely low income" has the same meaning as defined in Section 65582.
- (2) "Affordable housing cost" has the same meaning as defined in Section 50052.5 of the Health and Safety Code.
- (3) "Affordable rent" has the same meaning as defined in Section 50053 of the Health and Safety Code.
- (4) "Extremely low income" has the same meaning as defined in Section 65582.
- (5) "Low income" has the same meaning as defined in Section 65582.
- (6) "Very low income" has the same meaning as defined in Section 65582.
- (b) (1) For purposes of the housing element portion of the annual report required by paragraph (2) of subdivision (a) of Section 65400, for up to 25 percent of a jurisdiction's regional housing need allocation for low-, very low, extremely low, or acutely low income households, the planning agency may include the number of units in an existing multifamily building that were converted to affordable housing by imposition of long-term affordability covenants and restrictions that require the unit to be available to persons or families of low, very low, extremely low, or acutely low income at an affordable rent or affordable housing cost for at least 55 years.
  - (2) The report shall clearly indicate that the units described in paragraph (1) were not newly constructed units and shall provide all relevant project- and unit-level information, as described in subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.
- (c) For purposes of this section, a unit may be reported as a converted unit under subdivision (b) only if all of the following apply to the unit:
  - (1) The unit was not subject to any affordability covenants or restrictions prior to the conversion.
  - (2) The unit is subject to a long-term recorded regulatory agreement with a public entity that requires the unit to be affordable to, and occupied by, persons of low, very low, extremely low, or acutely low income for a term of at least 55 years.
  - (3) Notwithstanding the occupancy restrictions required by paragraph (2), the unit is subject to a requirement that a household or member of a household that resides in the property at the time of conversion shall not be evicted, nor shall their tenancy be terminated, on the basis of their income or other eligibility requirements for deed-restricted units in the property.
  - (4) Any occupants temporarily displaced by rehabilitation or improvements related to the conversion have been provided temporary replacement housing during the period of their temporary displacement.
  - (5) The unit was converted with committed assistance.

- (6) The unit is in decent, safe, and sanitary condition after conversion, including, but not limited to, any necessary initial rehabilitation.
- (7) The unit is subject to a governmental monitoring program to ensure continued affordability and occupancy by qualifying households throughout the term of the affordability restriction.
- (d) Units reported under this section shall be separated into the following categories:
  - (1) Acutely low income units.
  - (2) Extremely low income units.
  - (3) Very low income units.
  - (4) Low-income units.