Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1567 (Ta) – As Amended March 16, 2026

SUBJECT: General plan: annual report: congregate and residential care for the elderly

SUMMARY: Authorizes a local planning agency to include in its Annual Progress Report (APR) the number of units approved for congregate housing for the elderly. Specifically, **this bill**: Authorizes, for the 7th and each subsequent revision of the housing element, the planning agency for each county and city to include in its APR the number of units approved for congregate housing for the elderly or residential care facilities for the elderly, for up to 15% of a jurisdiction's regional housing need allocation (RHNA) for any income category.

EXISTING LAW:

1) Defines "congregate housing for the elderly" as a housing development which is planned, designed, and managed to include facilities and common space that allow for direct services and support services that maximize the residents' potential for independent living and which is occupied by elderly or handicapped persons or households. Direct services and support services which are provided or made available shall relate to the nutritional, social, recreational, housekeeping, and personal needs of the residents and shall be provided or made available at a level necessary to assist the residents to function independently. (Health and Safety Code (HSC) Section 50062.5)

2) Defines "residential care facility for the elderly" as a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, or personal care are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility. Persons under 60 years of age with compatible needs may be allowed to be admitted or retained in a residential care facility for the elderly as specified. (HSC 1569.2)

3) Requires a planning agency to provide an APR to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development (HCD) by April 1 of each year that includes all of the following:

    a. The status of the general plan and progress in its implementation;

    b. The progress in meeting its share of the regional housing needs allocation (RHNA), including the need for extremely low-income households, and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing included in the housing element;

    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;

    d. The number of units included in all development applications in the prior year;

e. The number of units approved and disapproved in the prior year, disaggregated into income subcategories within opportunity areas, as specified;

f. The degree to which the approved general plan complies with the guidelines developed in existing law for addressing specified matters, including environmental justice matters, collaborative land use planning of adjacent civilian and military lands, consultation with Native American tribes, and road and highway safety;

g. A listing of sites rezoned to accommodate that portion of the city or county's share of the RHNA for each income level that could not be accommodated on sites identified in the housing element's site inventory and any sites that may have been required to be identified under the No Net Loss zoning law;

h. The number of housing units demolished and new units of housing, including both rental housing and for-sale housing, 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 AMI that each housing unit satisfies;

i. Certain information regarding funding that may have been allocated via the Local Government Planning Support Grants Program;

j. 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 tribal places, features, and objects;

k. Specified information related to density bonus law applications, including the number of units in a student housing development for lower income students for which the developer was granted a student housing density bonus;

l. Specified information related to Affordable Housing and High Road Jobs Act of 2022 applications; and

m. 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. (Government Code (GOV) 65400)

4) Requires HCD to post APR reports on its website within a reasonable time of receiving the reports. (GOV 65400)

5) Provides that each community's fair share of housing be determined through the Regional Housing Needs Determination (RHND)/RHNA process. Sets out the process as follows: (a) Department of Finance (DOF) and HCD develop regional housing needs estimates or RHNDs; (b) Councils of Governments (COGs) allocate housing via RHNA within each region based on these determinations, and where a COG does not exist, HCD conducts the allocations; and (c) cities and counties incorporate these allocations into their housing elements. (GOV 65584 and 65584.01)

6) Establishes a streamlined, ministerial approval process for certain affordable and mixed-income housing developments pursuant to SB 35 (Wiener, Chapter 366, Statutes of 2017) if the developments are located in a jurisdiction where housing production is less than the jurisdiction's RHNA for households of certain incomes. (GOV 65913.4)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's statement: According to the author, "Cities and counties are unable to count assisted living facilities towards their RHNA numbers; however, AB 1567 would encourage cities and counties to produce more assisted living as defined by Section 50062.5 of the HSC, freeing up more homes to be available on the market for purchase by families. This is first and foremost a definition bill that authorizes the HCD to have a definition for assisted living for meeting RHNA goals for senior housing."

RHNA and Housing Elements: The RHNA process is used to determine how many new homes, and the affordability level of those homes, each local government must plan for in its housing element to cover the duration of the next eight-year planning cycle. The state is currently in the sixth housing element cycle, and the seventh cycle will begin for some COGs in 2027. The RHND is assigned at the COG level, while RHNA is suballocated to subregions of the COG or directly to local governments. RHNA is currently assigned via four income categories: very low-income (0-50% of AMI), low-income (50-80% of AMI), moderate income (80-120% of AMI), and above moderate income (120% or more of AMI). Beginning with the seventh cycle, two new income categories will be incorporated for acutely low-income (0-15% of AMI) and extremely low-income (15-30% of AMI).

The cycle begins with HCD and DOF projecting new RHND numbers every five or eight years, depending on the region. DOF produces population projections, and the COG also develops projections during its Regional Transportation Plan update. Then, 26 months before the housing element due date for the region, HCD must meet and consult with the COG and share the data assumptions and methodology that they will use to produce the RHND. The COG provides HCD with its own regional data on several criteria, including:

- Anticipated household growth associated with projected population increases;
- Household size data and trends in household size;
- The percentage of households that are overcrowded, as defined, and the overcrowding rate for a comparable housing market, as defined;
- The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures;
- The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs, as specified;
- Other characteristics of the composition of the projected population;

- The relationship between jobs and housing, including any imbalance between jobs and housing;

- The percentage of households that are cost burdened and the rate of housing cost burden for a healthy housing market, as defined; and

- The loss of units during a declared state of emergency during the planning period immediately preceding the relevant housing element cycle that have yet to be rebuilt or replaced at the time of the data request.

HCD can take this information and use it to modify its own methodology, if it agrees with the data the COG produced, or can reject it if there are other factors or data that HCD feels are better or more accurate. Then, after a consultation with the COG, HCD makes written determinations on the data it is using for each of the factors listed above, and provides that information in writing to the COG. HCD uses that data to produce the final RHND. The COG must then take the RHND and create an allocation methodology that distributes the housing need equitably amongst all the local governments in its region. The RHNA methodology is statutorily obligated to further all of the following objectives:

1) Increase the housing supply and mix of housing types, tenure, and affordability in all cities and counties within the regional in an equitable manner, which must result in each jurisdiction receiving an allocation of units for low- and very low-income households;
2) Promote infill development, socioeconomic equity, the protection of environmental and agricultural resources, and achievement of regional climate change reduction targets;
3) Promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction;
4) Allocate a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category; and
5) Affirmatively further fair housing.

California's Aging Population and Homelessness: The University of California, San Francisco Benioff Homelessness and Housing Initiative (BHHI) recently released a special report on older adults' experiences of homelessness.[1] The analysis is based on survey data and in-depth interviews from the California Statewide Study of People Experiencing Homelessness (CASPEH), the largest representative study of homelessness in the United States since the mid-1990s. Margot Kushel, MD, BHHI Director and lead author of the report, stated, "The dramatic rise in homelessness among older adults has severe consequences for the health and safety of those who experience it, and for our society at large. Now is the time for investments in real solutions to prevent and end homelessness among this vulnerable population."

The report found the following:

- Nearly half (48%) of all single homeless adults in California are age 50 and older. This trend is expected to continue; the proportion of people experiencing homelessness age 65 and older in the United States is projected to triple between 2017 and 2030.

[1] https://homelessness.ucsf.edu/resources/reports/toward-dignity-understanding-older-adult-homelessness

- Adults experiencing homelessness in their 50s and 60s have similar health statuses to people 20 years older in the general population.

- Consistent with the state's overall homeless population, most (91%) older adults experiencing homelessness in California lost their housing in California.

- They experienced severe poverty prior to homelessness: the median monthly household income in the six months prior to homelessness was $920 a month. Nearly half (46%) entered homelessness from a housing situation without the protection of a lease.

- Forty-one percent of older homeless adults had their first episode of homelessness after age 50.

- Older adults experienced prolonged episodes of homelessness. Among older adults, the median length of the current episode was 25 months.

California is projected to be one of the fastest-growing states in the nation in total population. In 2016, California comprised 12% of the nation's population[2] and is expected to grow 30% by the year 2060, an increase of 11.7 million people.[3] In California, the population aged 60 years and over is expected to grow more than three times as fast as the total population, and this growth will vary by region.

The population over the age of 60 will have an overall increase of 166% during the period from 2010 to 2060. More than half the counties will have over a 100% increase in this age group. Nearly half of these counties will have growth rates of over 150%. These counties are located throughout the central and southern areas of the State. The influence of the 60 and over age group on California is expected to emerge most strongly between 2010 and 2030.

The population over the age of 85 will increase at an even a faster rate than those over 60 years of age, having an overall increase of 489% during the period from 2010 to 2060. Counties can expect to experience even higher growth rates after 2020. In particular, the influence of the 85 and over age group on California will emerge most strongly between the year 2030 to 2040, as the first of the baby boomers reach 85 years of age.[4]

Master Plan for Aging: In January of 2021, the Governor released his Master Plan for Aging (MPA).[5] The MPA prioritizes the health and well-being of older Californians and the need for policies that promote healthy aging. The MPA serves as a blueprint for state government, local government, the private sector, and philanthropy to prepare the state for the coming demographic changes and continue California's leadership in aging, disability, and equity. The work plan laid out in the MPA four years after its release continues to highlight the urgent needs facing California's older adults, people with disabilities, their families, caregivers, advocates, and the workforce supporting these populations. In 2024-25, the MPA outlines five bold goals and currently seeks to advance 81 initiatives to build a California for All Ages by 2030. Each initiative features a designated area of focus: to deliver, to analyze and to communicate. It also

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[2] https://factfinder.census.gov
[3] http://www.dof.ca.gov/Forecasting/Demographics/Projections
[4] https://aging.ca.gov/Data_and_Reports/Facts_About_California%27s_Elderly/
[5] https://mpa.aging.ca.gov/

includes a Data Dashboard on Aging to measure progress. This bill, AB 1131 (Ta) is related to the needs of older adults and can be related to Goal One of the five goals:

- Goal One: Housing for All Ages and Stages
- Goal Two: Health Reimagined
- Goal Three: Inclusion and Equity, Not Isolation
- Goal Four: Caregiving That Works
- Goal Five: Affording Aging

Annual Progress Reports: Current law requires all local jurisdictions to provide housing information annually to HCD via the APR, including the following information from the current housing element cycle:

- The number of housing development applications received, and whether those applications are subject to ministerial or discretionary approval;
- The number of units included in all development applications;
- The number of units approved and disapproved;
- For each income category, the number of net (inclusive of demolished) new units of housing, including both rental housing and for-sale housing, that have been issued a completed entitlement, a building permit, or a certificate of occupancy; A unique site identifier (such as APN) for each entitlement, building permit, or certificate of occupancy; and
- The overall progress in meeting its share of RHNA.

It is important to note that APR submission has become a lengthy and involved process for city and county planning staff to undertake each year, and changing components can also prompt the need for HCD to reconfigure its existing APR data collection and visualization tools to account for different categories of information. Adding new components to APRs should be considered carefully in light of the additional workload that will be placed on local planning staff or consultants, as well as HCD.

This bill would create a pathway for local governments to receive APR and RHNA credit for new housing developments providing congregate housing for the elderly or residential care facilities for the elderly, as defined. Congregate care facilities are independent living or assisted living developments in which older adults and people with disabilities are able to live in settings that are designed to maximize the ability for residents to function independently but also receive direct services in group settings like communal meals, transportation services, and other support services, such as in-home assistance or lighter touch forms of nursing care. Because the current Census definition of a “housing unit” excludes group quarters, and there is inconsistency in categorizing certain types of housing developments that may blur the line between a housing unit and a group quarter or may have a mixture of both, the RHNA process and APRs do not currently capture all of these developments even though there is a pressing need for more

housing options for seniors and people with disabilities. HCD explains the issue further, beginning on page 33 of their 2024 report, *California's Housing Future 2040: The Next RHNA*:

> "The RHNA process has traditionally been used to plan for the needs of individuals that in housing units rather than group quarters. Accordingly, when HCD determines the regional housing need, the Department subtracts the group quarters population from the total population so as to only count the population living in households. Similarly, HCD only gives credit to newly constructed housing units, rather than group quarters, on the APRs that track a jurisdiction's progress towards meeting its RHNA."

HCD continues on page 34:

> "Stakeholders encouraged HCD to reconsider the process used to determine what populations are included in the RHND and what types of units are counted towards meeting the RHNA in order to improve consistency and to accurately account for need. For example, DOF staff noted that some housing developments are not straightforward to categorize (such as senior living communities that include both independent senior housing units and skilled nursing care), and that developing a consistent process for deciding what populations are counted in the RHND could help streamline the determination."

Arguments in Support: According to the League of California Cities, "According to January 2023 data from the California Department of Social Services, there are over 7,100 residential care facilities serving nearly 210,000 residents in California. Local governments play a key role in siting and zoning for these facilities. Yet, local jurisdictions do not receive credit in their RHNA for these efforts, despite these facilities increasing housing availability across the state. AB 1567 would allow local governments to include these efforts in their RHNA progress while also gathering more data for the state about the availability of these important living facilities. Senior residential living facilities are a vital mechanism for older residents to age comfortably while receiving the necessary services to maintain a higher quality of life."

Concerns Raised: LeadingAge California which represents providers of affordable senior housing, residential care facilities for the elderly (assisted living), life plan communities, and skilled nursing care raise several concerns with adding assisted living facilities/RCFE to RHNA. RCFEs are licensed by beds and often consist of shared rooms and congregate licensing arrangements that do not meet the standard definition of dwelling units. Without clear statutory guidance jurisdictions may count units inconsistently which risk artificially inflating RHNA compliance without producing equivalent housing capacity. Inclusion of assisted living in RHNA could also result in jurisdictions meeting their housing needs on paper without increasing the supply of permanent, independent housing for seniors. Jurisdictions may have a greater incentive to prioritize assisted living facilities over traditional housing, especially in high resources areas.

Related Legislation*:*

AB 1131 (Ta) (2025) would have authorized for the 7th and each subsequent revision of the housing element, the planning agency for each county and city to include in its APR the number of units approved for congregate housing for the elderly, for up to 15% of a jurisdiction's regional housing need allocation (RHNA) for any income category. AB 1131 was eld in the Senate Appropriations Committee.

Double-Referred: This bill was also referred to the Committee on Local Government, where it will be heard should it pass out of this Committee.
Related Legislation:

REGISTERED SUPPORT / OPPOSITION:

Support

California Assisted Living Association
City of Los Alamitos
League of California Cities

Support If Amended

LeadingAge California

Opposition

None on file.

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1573 (Bryan) – As Amended March 16, 2026

SUBJECT: Land use: housing elements: target population

SUMMARY: Adds "victims of domestic violence" and "victims of human trafficking" to the definition of "target population" in Housing Element Law.

EXISTING LAW:

1) Defines "Domestic violence" as abuse perpetrated against any of the following persons:

   a) A spouse or former spouse;

   b) A cohabitant or former cohabitant, as defined;

   c) A person with whom the respondent is having or has had a dating or engagement relationship;

   d) A person with whom the respondent has had a child, where the presumption applies that the male parent is the father of the child of the female parent;

   e) A child of a party or a child who is the subject of an action under the Uniform Parentage Act, where the presumption applies that the male parent is the father of the child to be protected; and

   f) Any other person related by consanguinity or affinity within the second degree. (Family Code Section 6211)

2) Defines "victims of human trafficking" to mean the definition of human trafficking in this section is equivalent to the federal definition of a severe form of trafficking found in Section 7102(11) of Title 22 of the United States Code. (Penal Code 236.1)

3) Defines "target population" for purpose of Housing Element Law to mean persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. (Government Code Section (GOV) 65582)

4) Requires each jurisdiction to prepare and adopt a General Plan, including a housing element, to guide the future growth of a community. The housing element must identify and analyze existing and projected housing needs, including the jurisdiction's share of the regional housing needs allocation (RHNA); identify adequate sites with appropriate zoning to meet the housing needs of all income segments of the community; and demonstrate local efforts to remove governmental and nongovernmental constraints that hinder the jurisdiction from meeting its share of the regional housing need, among other requirements. (GOV 65583)

5) Requires a local government's housing element to include an assessment of housing needs and an inventory of resources and constraints that are relevant to meeting these needs, including an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including special needs housing, which must analyze land use controls, building codes and their enforcement, site improvements, fees and exactions, local processing and permit procedures, historic preservation practices and policies, and any locally adopted ordinances that directly impact the cost and supply of residential development. Further requires the analysis to demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of RHNA, and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters, as specified. (GOV 65583)

6) Requires each city and county to adopt a housing element, which must contain specified information, programs, and objectives, including:

    a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs, including a quantification of the locality's existing and projected housing needs for all income levels; an inventory of land suitable and available for residential development; an analysis of potential and actual governmental and nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels; and a demonstration of local efforts to remove constraints that hinder the locality from meeting its share of the RHNA, among other things;

    b) A statement of the community's goals, quantified objectives, and policies relative to affirmatively furthering fair housing and to the maintenance, preservation, improvement, and development of housing; and

    c) A program that sets forth a schedule of actions during the planning period, and timelines for implementation, that the local government is undertaking to implement the policies and achieve the goals and objectives of the housing element, including actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities to accommodate that portion of the local government's share of the regional housing need for each income level that could not be accommodated on sites identified in the sites inventory without rezoning, among other things. (GOV 65583)

7) Requires each city and county to include an analysis of any special housing needs in the housing element, such as those of the elderly; persons with disabilities, including a developmental disability, extremely low income households; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. (GOV 65583)

8) Requires the need for emergency shelter to be assessed based on the capacity necessary to accommodate the most recent homeless point-in-time count conducted before the start of the planning period, the need for emergency shelter based on number of beds available on a year-round and seasonal basis, the number of shelter beds that go unused on an average monthly basis within a one-year period, and the percentage of those in emergency shelters that move to permanent housing solutions. Provides that the need for emergency shelter may be reduced by the number of supportive housing units that are identified in an adopted 10-year plan to

end chronic homelessness and that are either vacant or for which funding has been identified to allow construction during the planning period. An analysis of special housing needs by a city or county may include an analysis of the need for frequent user coordinated care housing services. Requires for the seventh and subsequent revisions of the housing element, the analysis to include the housing needs of acutely and extremely low income households. (GOV 65583)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's statement: According to the author, **"**Survivors of domestic violence, sexual assault, and human trafficking are overrepresented in the unhoused population, and the data shows that they stay unhoused for longer, return to homeless services more frequently, and have a lower rate of receiving permanent housing than the unhoused population at large. Clearly, the status quo does not adequately support survivors, and it needs to change. AB 1573 takes an important step by ensuring that survivors of domestic violence, sexual assault, and human trafficking are included in the definition of the target populations of the housing element when cities and counties generate their general plan."

Domestic Violence Victims: In 2024, over 187,000 people in California experienced homelessness on a single night. Domestic violence, frequently referred to as intimate partner violence (IPV), (i.e., physical, sexual, emotional, or financial violence or abuse by a current or former intimate partner), is a common precipitant of homelessness, particularly among women (and their minor children). Intimate partner violence is common; 47% of women and 44% of men report experiencing sexual violence, physical violence, or stalking by an intimate partner at some point in their lifetime. For one in five unhoused women in California, domestic violence is a precursor to homelessness. Californians with a history of homelessness were three times more likely than those without to report sexual violence (20% vs 7%) in the past year.

***Adoption and Implementation of Housing Elements*:** One important tool in addressing the state's housing crisis is to ensure that all of the state's 540 cities and counties appropriately plan for new housing. Such planning is required through the housing element of each community's General Plan, which outlines a long-term plan for meeting the community's existing and projected housing needs. Cities and counties are required to update their housing elements every eight years in most highly populated parts of the state, and five years in areas with smaller populations. Local governments must adopt a legally valid housing element by their statutory deadline for adoption. Failure to do so can result in certain escalating penalties, including exposure to the "builder's remedy" as well as public or private lawsuits, financial penalties, potential loss of permitting authority, or court receivership.

It is critical that local jurisdictions adopt legally compliant housing elements on time in order to meet statewide housing goals and create the environment locally for the successful construction of desperately needed housing at all income levels. Unless communities plan for the production and preservation of affordable housing, new housing construction will be slow to materialize. Adequate zoning, removal of regulatory barriers, protection of existing housing stock, and targeting resources are essential to obtaining a sufficient permanent supply of housing affordable to all economic segments of the community. Although it does not require the community to actually develop the housing, Housing Element Law requires the community to plan for housing

and set the regulatory landscape to facilitate housing development. Recognizing that local governments may lack adequate resources to house all those in need, the law nevertheless requires jurisdictions to make a good-faith effort to accommodate housing needs and to avoid exclusionary zoning practices or actions that perpetuate patterns of housing discrimination or impede fair housing.

Target population definition: Housing Element Law defines "target population" to mean persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act. The definition outlines who may be considered as a target population to include, among other adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

The target population definition is included in Housing Element Law to identify those individuals that may require supportive housing, housing at an affordable cost with supportive services. As part of the housing element, a city and county must include an analysis of the needs of special populations, such as those of the elderly, persons with disabilities, including a developmental disability, extremely low-income households, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter. This requires the city and county to determine the number of people in each subpopulation and factor their housing needs into the overall housing element. Cities and counties are required to analyze the programs available for special populations. They also can analyze the housing needs of special populations by looking at data from the homelessness management information system (HMIS), which identifies the number of people experiencing homelessness who are living in shelters or who are unsheltered. There is no requirement to identify victims of domestic violence or human trafficking as part of the data collected for HMIS, though some Continuums of Care do collect this data.

Although victims of domestic violence and human trafficking are not called out in the definition of target population or special population, they would be represented in the larger population of lower income households, acutely low income, extremely low-income households, families with female heads of household, and families and persons needing emergency shelter. Adding them to the definition of target population will not cause harm, but will not necessarily result in more supportive housing or shelter specifically for this group, as they can access supportive housing and emergency shelters made available to the broader population.

Arguments in Support: According to the Downtown Women's Center, "today, city and county assessments of supportive housing services do not consider these vulnerable populations. This bill will ensure that local jurisdictions do their due diligence when formulating their housing element within their general plan to include survivors of domestic violence, human trafficking, and sexual assault, allowing for urgently needed safe housing protection and support while strengthening communities and reducing homelessness. AB 1573 will ensure that survivors of domestic violence, human trafficking, and sexual assault are included in the definition of the target populations in the assessment of supportive housing in a city's or county's general plan. This legislation would move California toward a more inclusive housing framework and affirm that these populations have unique needs that justify targeted supportive services and housing solutions beyond what is currently available. In doing so, AB 1573 will uphold California's commitment to supporting survivors in

rebuilding their lives while strengthening the health, safety, and resilience of communities statewide."

Arguments in Opposition: None on file.

Double-Referred: This bill was also referred to the Committee on Local Government, where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Downtown Women's Center (Sponsor)
California Partnership to End Domestic Violence
Community Forward Sf, INC.
Domestic Violence & Homeless Services Coalition
Empower Tehama
Family Violence Law Center
Hub for Urban Initiatives
Jenesse Center
Loyola Law School, the Sunita Jain Anti-trafficking Initiative
Peace Over Violence
Safe Place for Youth
San Francisco Safehouse
San Francisco Women's Housing Coalition
Southern California Association of Nonprofit Housing
Supportive Housing Alliance
Survivor Justice Center
The People Concern
The Purple Monarchs
Weingart Center Association
Western Center on Law & Poverty, INC.
Women of Color Breast Cancer Survivors Support Project

Opposition

None on file.

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2025

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1684 (Ward) – As Introduced February 2, 2026

SUBJECT: Common interest developments: cooling systems

SUMMARY: Makes any provisions of a homeowners association's (HOA's) governing documents, architectural guidelines, or policies, as well as any deed restrictions for properties in an HOA, null and void if they prevent a homeowner from installing, upgrading, replacing, or using a cooling system in their home. Specifically, **this bill**:

1) Deems any provision of an HOA's governing documents, architectural guidelines, or policies void and unenforceable if the provision prohibits or restricts the installation, upgrade, replacement, or use of a cooling system.

2) Deems void and unenforceable any covenants, restrictions, or conditions in a home's deed, contract, security instrument, or other instrument affecting the transfer or sale of a home in a Common Interest Development (CID) that effectively prohibit or restrict the installation, upgrade, replacement, or use of a cooling system.

3) Forbids an HOA from prohibiting or restricting a member from installing, upgrading, replacing, or using a cooling system in the member's home. r Prohibits the HOA from doing any of the following:

    a) Charging any fees to an HOA member for installing, upgrading, replacing, or using a cooling system;

    b) Requiring an HOA member to use a specific cooling system, type of system, contractor, or product;

    c) Claiming any rebate, credit, or commission associated with an HOA member's cooling system installation, upgrade, replacement, or use; and

    d) Requiring a member to remove a cooling system or preventing the replacement or upgrade of an existing cooling system.

4) Exempts an HOA from the requirements in 3), above, if the HOA determines any of the following:

    a) The installation, upgrade, replacement, or use of the cooling system would violate federal, state, or local law; or

    b) A permit from a designated permitting authority is required to install, upgrade, replace, or use a cooling system, and the permit was not granted to the HOA member.

5) Defines "cooling system" to include, but not be limited to, a portable air-conditioning (AC) unit, a window AC unit, a swamp cooler, any evaporative cooler, a cooling fan system, a heat pump, or any other technology that reasonably creates an internal temperature cooling benefit.

6) Requires a cooling system to meet applicable health and safety standards and requirements imposed by law.

7) Makes an HOA that willfully violates the provisions of this bill liable to the HOA member for actual damages, and for the payment of a civil penalty to the HOA member of up to $2,000.

EXISTING LAW:

1) Establishes the Davis-Stirling Act, providing the legal framework for the creation and management of all CIDs. (Civil Code (CIV) 4000-6150)

2) Declares it is the established policy of the state that all dwelling units be able to attain and maintain a safe maximum indoor temperature, as specified, and provided that it does not expand any obligation of the state to provide a safe maximum indoor temperature or require the expenditure of additional state resources to develop infrastructure beyond the obligations that existing under existing program requirements. (Health and Safety Code (HSC) 17914)

3) Prohibits management or ownership of mobilehome parks from restricting a homeowner′s ability to install a cooling system in their mobilehome, with some exceptions. (CIV 798.44.2, 799.13)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "By adding air conditioning to the list of protected uses for an HOA member, this bill ensures that a homeowner may install the cooling system of their choice without time consuming paperwork or costly fees. California homeowners deserve to make their own choices regarding heat management, regardless of home type or association membership. Already the deadliest form of extreme weather in the United States, extreme heat is on the rise, with adverse health outcomes disproportionately impacting households without air conditioning. Choosing a cooling system that meets a family's healthcare needs and remains financially feasible not only improves quality of life, but also helps protect vulnerable individuals from preventable heat-related illness."

Common Interest Developments: There are over 50,000 CIDs in the state, ranging in size from three to 27,000 units, with the average CID having 286 residents. CIDs make up roughly 4.7 million housing units, and 36% of Californians (over 14 million Californians) live in a CID. These rates are even higher for homeowners, with approximately 65% of homeowners living in a CID. CIDs include condominiums, community apartment projects, housing cooperatives, and planned unit developments. They are characterized by a separate ownership of dwelling space coupled with an undivided interest in a common property, restricted by covenants and conditions that limit the use of common area, and the separate ownership interests and the management of common property and enforcement of restrictions by an HOA. CIDs are governed by the Davis-Stirling Common Interest Development Act (the Act) as well as the governing documents of the association, including bylaws, declaration, and operating rules.

Davis-Stirling Common Interest Development Act: The Act went into effect in 1986 and is the primary body of law governing CIDs in California. The Act provides the legal framework for the

creation and management of HOAs, including rules related to governance, assessments, dispute resolution, maintenance responsibilities, and member rights. The Act aims to balance the authority of HOAs with the rights of individual property owners, ensuring that communities are managed efficiently and fairly.

Over time, the Act has been amended to address the evolving needs of CIDs and to increase transparency, accountability, and consumer protection. Key provisions include requirements for open meetings, financial disclosures, election procedures, and architectural review processes. The Act also provides mechanisms for resolving disputes, including internal dispute resolution and alternative dispute resolution, before certain legal actions can proceed. As CIDs continue to represent a significant portion of California's housing stock, the Act plays a critical role in shaping the living environment and governance of millions of residents across the state.

Extreme Heat and Residential Indoor Temperature Challenges: While current law generally provides for the right to heat in housing units during times of extreme cold, it does not guarantee indoor cooling during heat events. Heat exposure can cause a variety of health impacts, including heat cramps, heat exhaustion, heat stroke, exacerbation of respiratory illnesses, and can even lead to death. In fact, heat causes more reported deaths per year on average in the US than any other weather hazard.[1] A heat wave in 2006 led to 140 deaths, as well as 16,000 more emergency room visits and 1,100 more hospitalizations, as compared to similar time periods without a heat wave. The California Department of Public Health in 2023 reported 395 excess deaths in California during a 10-day heat wave in September 2022. Due to climate change, this extreme weather will become more common. The California Fourth Climate Change Assessment estimates that by 2050, urban heat-related deaths could double or triple due to rising temperatures. In addition, lower-income communities in the state tend to be hotter than wealthier communities, and California metro areas have a larger temperature disparity between their poorest and wealthiest areas than any other state in the southwest.[2,3]

Recent Efforts to Establish a Cooling Standard: In 2022, AB 2597 (Bloom) would have required the Department of Housing and Community Development (HCD) to develop, propose, and submit mandatory building standards for adequate residential cooling for both new and existing units. AB 2597 was held by the author in the Senate Housing Committee, due to concerns about placing onerous requirements on housing providers, circumventing the state regulatory process for building code adoption, and placing significant challenges on the electric grid due to more air conditioners running during peak energy demand times and during hot weather in general.

Stemming from that conversation, legislation enacted as part of the budget agreement that year (AB 209, Committee on Budget) included a provision requiring HCD to provide recommendations to the Legislature by January 1, 2025, to help ensure that residential dwelling units can maintain a safe indoor temperature. As required by AB 209, HCD released its report in 2025, "Policy Recommendations: Recommended Maximum Safe Indoor Temperature." The report recommends that the state consider a general maximum safe indoor air temperature of 82 degrees Fahrenheit for residential dwelling units, to be implemented by methods including

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[1] https://oehha.ca.gov/media/epic/downloads/19humanhealth_14jan2019.pdf
[2] https://www.latimes.com/california/story/2021-10-28/extreme-heat-built-environment-equity
[3] Dialesandro, John; et al. *Dimension of thermal Inequity: Neighborhood Social Demographics and Urban Heat in the Southwestern U.S.* (Int. J. Environ. Res. Public Health, 2021). https://www.mdpi.com/1660-4601/18/3/941

building standards for newly constructed residential dwelling units, and/or incentive programs for retrofitting existing residential dwelling units, manufactured homes, and mobilehomes.[4]

In 2025, after the release of HCD's Safe Indoor Temperature Policy Recommendations, the legislature enacted two additional bills related to safe indoor air temperatures. SB 655, (Stern), Chapter 522, Statutes of 2025, declared that it is state policy that all residential dwelling units shall be able to attain and maintain a safe maximum indoor temperature. It directed relevant state agencies to consider this safe maximum indoor temperature policy when revising or establishing programs, grant criteria, and regulations, with the regulatory requirement taking effect January 1, 2027. Notably, SB 655 did not expand any state obligation to provide a safe maximum indoor temperature or require additional infrastructure spending.

The second bill passed in 2025, AB 806 (Connolly), Chapter 343, Statutes of 2025, was substantially similar to this bill, but applied to mobilehomes rather than units in a CID. AB 806 prohibited any rental agreement, covenant, or other instrument in a mobilehome park, subdivision, cooperative, condominium, or resident-owned mobilehome park from restricting or prohibiting a homeowner or resident from installing, upgrading, replacing, or using a cooling system in their mobilehome. The park management or ownership is prohibited from charging fees, requiring the use of specific products or contractors, claiming any rebates or commissions associated with the installation or upgrade, or requiring the removal of the cooling systems. AB 806 also prohibited mobilehome management or ownership from terminating any homeowner or resident's tenancy on the basis of cooling system installation or use.

The provisions of AB 806 do not apply if the installation of a cooling system would violate any federal, state, or local laws, for example, if a permit is required for the scope of work but not granted, or if the lot's power service cannot accommodate the amperage required to operate the new cooling system. Cooling systems are broadly defined to include portable or window AC units, evaporative coolers, fans, heat pumps, or any technology that creates an internal cooling benefit. Willful violations of the provisions of AB 806 parks carry liability for actual damages plus a civil penalty up to $2,000, and prevailing parties in enforcement actions are entitled to attorney's fees.

This Bill: This bill applies the aforementioned framework of AB 806 (Connolly) to homes in HOAs. It voids any provision in HOA governing documents, architectural guidelines, property deeds, homeownership contracts, or other instruments that restrict a homeowner in an HOA from installing, upgrading, replacing, or using a cooling system in their home. Under this bill, HOAs may not charge fees, require homeowners to use specific products or contractors, claim rebates or commissions from the cooling system installation, or require removal of cooling systems. Exceptions apply if the installation would violate any federal, state, or local law, or if a permit is required for the installation or use of the cooling system but is not granted. Willful violations carry liability for actual damages plus a civil penalty up to $2,000.

There are two notable differences between this bill and AB 806. This bill omits the amperage/power service exception to installation that AB 806 includes, and, unlike AB 806, it does not contain an attorney's fees provision for prevailing parties in enforcement actions.

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[4] Department of Housing and Community Development, *Policy Recommendations: Recommended Maximum Indoor Air Temperature*

When comparing the provisions of existing law for mobilehomes established in AB 806 to this bill, the Committee may wish to consider the differences between mobilehome parks and CIDs. Mobilehome residents often rent the land beneath their home while owning the structure itself, creating a landlord-tenant dynamic where management has direct economic leverage over residents. Mobilehomes are not truly mobile, in that it is often cost-prohibitive to relocate them. The cost to move a mobilehome ranges from thousands to tens of thousands of dollars, depending on the size of the home and the distance traveled. A mobilehome owner whose home is located in a mobilehome park does not own the land the unit sits on and must pay rent and fees for the land and any community spaces. This makes cooling system restrictions particularly consequential, as residents cannot simply move their home without significant cost. This dynamic is reflected in AB 806, which includes protections like the amperage exception to cooling system installation, addressing the practical reality that mobilehome park infrastructure is controlled by management, not residents.

HOA-governed properties encompass several distinct ownership typologies. In a single-family home HOA, the owner typically holds title to both the structure and the land, meaning cooling system installation is largely an interior matter, with HOA restrictions more likely to stem from aesthetic rules pertaining to exterior appearance or noise considerations. In a townhome, the owner generally holds title to the structure but shares walls with neighbors, making exterior modifications like window units potentially subject to shared-wall, common area, or architectural considerations. In a condominium, an owner may hold title only to the unit's interior airspace, with exterior walls, roofs, and common areas owned collectively by the association, meaning installation of certain cooling systems requiring exterior penetration may directly implicate common area governance.

Across all unit typologies, HOA restrictions on cooling systems may derive from aesthetic or architectural uniformity standards established in governing documents, which members have the ability to amend through the association's internal processes. An HOA may also impose limitations on residents installing cooling systems based on noise considerations, or may require owners to install certain types of cooling systems over others. Unlike mobilehome parks, where electrical infrastructure is often owned and controlled by park management, and residents may be submetered, homeowners in most HOA-governed single-family developments typically have a direct relationship with the electric utility and control the electrical panel serving their unit. While some condominium developments have master-metered or shared electrical systems controlled by the HOA, installations in those buildings would generally remain subject to applicable permitting requirements and building code provisions.

Arguments in Support: The Climate Action California writes in support: “California is on the frontline of the anthropogenic climate crisis. As global average temperatures rise, our state faces increasingly severe heat waves, which pose significant risks to human health and safety. It is both probable and predictable that these extreme heat events will result in a surge of heat-related illnesses, sending many vulnerable Californians to the hospital and causing life-threatening conditions for countless residents. Heat waves are the deadliest form of extreme weather in the United States today.

Having a functioning air conditioning unit at home is the most effective defense against heat-related illness. For vulnerable populations—such as seniors, children, and people with respiratory conditions—air conditioning is not a luxury, but a medical necessity. This is

particularly true in buildings with poor insulation, where high indoor temperatures can quickly create hazardous, even deadly, environments.

Under AB 1684, no residents' association will be permitted to build restrictions, covenants, or fees directed at cooling systems into its governing documents, or ban specific types of cooling systems. This bill will allow families to select the cooling system that best fits their healthcare needs and financial situation."

Arguments in Opposition: The California Associations Institute's Legislative Action Committee writes in an oppose unless amended position: "While we appreciate the intent to ensure homeowners may install, upgrade, or replace cooling systems within their separate interest, the bill as drafted significantly limits an association's ability to protect common areas, structural integrity, and neighboring units. It also exposes associations to actual damages and civil penalties up to $2,000 for willful violations, without clearly preserving reasonable oversight authority.

To strike the appropriate balance, we respectfully request amendments to:

- Clarify that reasonable restrictions are permitted when they do not significantly increase cost or decrease efficiency and are imposed to address legitimate concerns such as aesthetics, placements, noise, safety, structural integrity, waterproofing, electrical capacity, or protections of the common area.

- Preserve association's authority to require reasonable architectural approval and compliance with applicable building, health, safety and permit requirements.

- Confirm that the installing homeowner is responsible for all installation, maintenance, and repair cost; any damage to common areas or other units; providing reasonable indemnity; and maintaining adequate insurance when the installation poses a material risk.

- Allow associations to recover reasonable, actual costs for architectural review and related administrative processing."

Related Legislation:

SB 655 (Stern), Chapter 522, Statutes of 2025 declared it is the established policy of the state that all dwelling units be able to attain and maintain a safe maximum indoor temperature, as specified, and provided that it does not expand any obligation of the state to provide a safe maximum indoor temperature or require the expenditure of additional state resources to develop infrastructure beyond the obligations that existing under existing program requirements.

AB 806 (Connolly), Chapter 343, Statutes of 2025 prohibited management or ownership of mobilehome parks from restricting a homeowner′s ability to install a cooling system in their mobilehome, with some exceptions.

AB 209 (Committee on Budget), Chapter 251, Statutes of 2022 required HCD to submit policy recommendations to the Legislature by January 1, 2025 to help ensure that residential dwelling units can maintain safe indoor temperature, as specified.

AB 2597 (Bloom) of 2022 would have required HCD to develop, propose, and submit to the CBSC mandatory standards for adequate residential cooling for both new and existing residential dwelling units. This bill died pending a hearing in the Senate Housing Committee.

Double-Referred: This bill was also referred to the Assembly Committee on Judiciary where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California Apartment Association
Cleanearth4kids.org
Climate Action California
Marin Clean Energy
Serving Seniors

Opposition

Oppose Unless Amended

Community Associations Institute - California Legislative Action Committee

Analysis Prepared by: Dori Ganetsos / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1710 (Carrillo) – As Introduced February 4, 2026

SUBJECT: Housing developments: ordinances, policies, and standards

SUMMARY: Extends the "vesting" rights that apply to local agency reviews of housing development projects under the Housing Crisis Act (HCA) to also apply to the rules, regulations, and requirements imposed by other public agencies. Applies a "reasonable person" standard, as specified, to public agency determinations of whether a housing development project is consistent, compliant, and in conformity with applicable standards for purposes of the Permit Streamlining Act. Specifically, **this bill**:

1) Adds the following to the list of objective standards that can be vested under the HCA, so long as a developer submits a complete application within 180 days of a preliminary application:

    a) Materials requirements;

    b) Postentitlement permit standards, with the exception building code standards; and

    c) Any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, as specified.

2) Extends the "reasonable person" standard that applies to the local agency reviews of housing development projects and emergency shelters under the HCA to public agencies, as defined.

3) Excludes housing development projects containing a hotel, motel, bed and breakfast inn, or other transient lodging, from the provisions in 2), above, consistent with existing law governing local agency review.

EXISTING LAW:

1) Prohibits local governments from denying, making infeasible, or reducing the density of housing developments that comply with objective standards, unless specific written findings based on health, safety, or state/federal law conflicts are made. (Government Code (GOV) 65589.5)

2) Applies a "reasonable person" standard to housing development projects reviewed by local agencies. (GOV 65589.5)

3) Establishes the HCA as part of the Housing Accountability Act (HAA) for urbanized and affected jurisdictions, with the following provisions:

    a) Establishes a preliminary application process that allows developers to lock in, aka "vest" objective zoning, design, and subdivision standards in place at the time of the submission date. (GOV 65941.1, 65589.5)

b) Requires that housing projects be evaluated based on objective general plan, zoning, subdivision, and design standards in place at the time of the application. Objective standards must be verifiable based on measurable criteria and not subject to subjective interpretation. (GOV 65941.1, 65589.5)

c) Defines "ordinances, policies, and standards" as objective requirements that are uniformly verifiable by reference to external and available criteria. These include:

   i) General plans;

   ii) Community plans;

   iii) Specific plan;

   iv) Zoning;

   v) Design review standards and criteria;

   vi) Subdivision standards and criteria; and

   vii) Any other rules, regulations, requirements, and policies of a local agency, including:

      (1) Development impact fees;

      (2) Capacity or connection fees or charges;

      (3) Permit or processing fees; and

      (4) Other exactions (GOV 65589.5)

d) Prevents local agencies from applying new ordinances, policies, or standards adopted after the preliminary application is submitted. (GOV 65941.1, 65589.5)

4) Excludes housing developments with a mixed-use component containing a hotel, motel, bed and breakfast inn, or other transient lodging from the definition of "housing development project" under the HAA. (GOV 65589.5)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "California's housing crisis has left too many without a home, struggling to afford rent, and unable to achieve homeownership. Yet, delays, regulatory barriers, and inconsistent permitting rules are making it harder and more expensive to build the housing we desperately need. Right now, it not only slows development but also discourages new housing altogether, pushing investment to states with a more predictable process.

AB 1710 strengthens SB 330's (2019) vesting protections to ensure housing projects aren't subject to regulatory changes at the state and regional agency level after a preliminary application is submitted—except in cases concerning health, safety, or environmental mitigation.

By reducing uncertainty and reinforcing clear, predictable standards, AB 1710 will help create a more predictable path for housing development that lowers costs, speeds up construction, expands affordable housing and homeownership, and supports sustainable, community-focused growth."

The Housing Approvals Process – Standards Vesting: The process of gaining approval to build new housing in California can be lengthy, unpredictable, and expensive. Under the California Constitution, cities and counties have broad authority, known as the police power, to regulate land use in the interest of public health, safety, and welfare. Local governments enforce this authority through an entitlement process, which includes both discretionary and ministerial approvals. Gaining "entitlement" is essentially a local government's confirmation that a housing project complies with all applicable local zoning regulations and design standards. Once a project receives entitlement, or approval, from the local planning department, it must obtain postentitlement permits. These include building, demolition, and grading permits issued by the local agency – typically the local building department. Postentitlement permits are related to the physical construction of the development proposal before construction can begin. While local governments are primarily responsible for approving housing developments within their jurisdiction, various state and regional departments may also play a role, depending on the project scope and location.

Navigating through the various stages of housing approval requires developers to invest time and resources early in the development process. A 2025 study found that California is the most expensive state for multifamily housing production, in part due to the long timeline it takes to go from an application to an approved project.[1] This report found that longer production timelines are strongly associated with higher costs, and the time to bring a project to completion in California is more than 22 months longer than the average time required in Texas.[2]

The Department of Housing and Community Development (HCD) identifies lengthy permit processing timelines and procedures as a governmental constraint to housing development. In HCD's San Francisco Housing Policy and Practice Review, the department found that procedural complexities associated with housing entitlement and permitting are "not only a barrier to entry to new development professionals pursuing [housing] projects," but they may also cause developers to exit housing markets with complex permitting ecosystems and pursue developments in neighboring jurisdictions with less complex procedural requirements instead.[3]

To address this, the Legislature has enacted various laws to streamline, expedite, and standardize approvals, particularly for projects meeting objective standards. One such law is SB 330 (Skinner), Chapter 654, Statutes of 2019, or the HCA, which established a process through which developers seeking to build housing could "vest" their projects. Under existing law, an applicant files a preliminary application to build housing, with specified project information, and then has 180 days, or approximately 6 months, to file a "complete application." If the developer files a complete application in time, the housing development gains vested rights to proceed under the rules that were in effect when the preliminary application was submitted. These rights include the vesting of objective standards such as general plans, community plans, specific plans, zoning

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[1] https://www.rand.org/pubs/research_reports/RRA3743-1.html
[2] https://www.rand.org/pubs/research_reports/RRA3743-1.html
[3] HCD San Francisco Policy & Practice Review, Page 13. Published October 2023. Accessed from: https://www.hcd.ca.gov/policy-and-research/plans-and-reports

ordinances, design review standards, subdivision standards, and any other rules, regulations, requirements, and policies of a local agency. There are some exceptions that allow new regulations to be applied in cases of health and safety concerns or to mitigate significant CEQA environmental impacts. However, the HCA only applies to local agencies.

This bill would expand the list of objective standards that can be "vested" under SB 330, to include the following:

1) Postentitlement permit standards, excluding building code standards;

2) Materials requirements associated with subdivisions; and

3) Any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, such as state and regional governments.

In doing so, it could provide increased certainty to homebuilders, ensuring that the project goalposts don't move for housing projects that receive vesting under the HCA. Under this bill, housing projects would be protected from changes to, for example, municipal storm water requirements controlled by Regional Water Quality Boards, local grading ordinances, State Water Quality Control Board/Department of Toxic Substances Control Vapor Intrusion Thresholds, and Metropolitan Planning Organization Sustainable Community Strategies. Any newly implemented standards would still apply to housing projects that file preliminary applications after their implementation, but would not apply to projects that are vested before the standards change. Notably, this bill excludes building code standards from its vesting provisions, meaning that the building standards in place at the time when an applicant applies for a building permit would apply to the proposed development, not the standards in effect when the preliminary application was filed.

AB 1515 - Reasonable Person Standard: Under the HAA, housing projects are analyzed for consistency with governmental agencies' adopted plans (e.g., general plans and zoning codes). Previously, courts fully deferred to regulatory agencies in determining project consistency, allowing agencies to block or extract significant concessions from projects by declaring them inconsistent with adopted plans, even if it would have been reasonable for the agency to have found the project consistent.

In 2017, the HAA was amended by AB 1515 (Daly), Chapter 368, Statutes of 2017, to apply a "reasonable person" standard to local agencies. The reasonable person standard in the HAA prohibits local agencies from denying or conditioning a housing project based on subjective interpretations of local regulations. If substantial evidence exists such that a reasonable person could determine a project is consistent with applicable plans or zoning, it must be deemed consistent as a matter of law, regardless of the agency's decision. If a local agency reaches a different conclusion than a reasonable person would, based on the evidence, its decision is legally vulnerable and may be overturned in court. Courts are not required to defer to the agency's interpretation but can mandate project approval if the evidence supports consistency. These standards are meant to prevent agencies from using broad discretion to block or significantly alter housing development projects, ensuring that housing approvals are based on objective, fact-based criteria rather than political or community opposition.

This bill would apply that same "reasonable person" standard to "public agencies," meaning any state agency, any county, city and county, city, regional agency, public district, redevelopment

agency, or other political subdivision. For housing development proposals, this would effectively apply the same standard that local governments are already subject to, to state and regional governments.

Arguments in Support: The California Building Industry Association (CBIA), the bill sponsor, writes in support: "California continues to face a significant housing shortage, driven in large part by unpredictable and lengthy approval processes. While SB 330 was instrumental in securing regulatory certainty at the local level, housing projects remain vulnerable to changes in state and regional agency regulations, which can cause costly delays or even render projects infeasible. AB 1710 directly addresses these challenges by extending SB 330's vesting protections to include state and regional agencies, ensuring that housing projects are not subject to shifting regulatory requirements after a preliminary application has been submitted.

Additionally, AB 1710 expands the application of the "reasonable person" standard under the Housing Accountability Act (HAA) to state and regional agencies. This important provision ensures that if substantial evidence exists to support a finding of project consistency with an applicable regulatory plan, the project is deemed consistent as a matter of law. By applying this objective standard beyond local agencies, AB 1710 further reduces arbitrary decision-making that could otherwise hinder housing production."

Arguments in Opposition: The California Special Districts Association (CSDA), the Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA), and California Municipal Utilities Association (CMUA) write in opposition: "AB 1710 expands the list of objective ordinances, policies, and standards that can be vested at the time of application for housing development through SB 330 (Skinner, 2019). Additionally, it applies a "reasonable person" standard to state and local agencies involved in housing development reviews across the Permit Streamlining Act. We recognize that amendments from last year's AB 1276 and carried over to this measure have narrowed the reasonable person provision from capturing a much broader set of statutes, but we find it still lacks specificity of which problem in which statute is to be solved.

Specifically, this measure adds post-entitlement permit standards; certain materials requirements, and any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, including both state and local agencies, to the list of items that are vested at the point of application for certain developments.

The vesting provision will put state and local agencies in conflict with any new laws, regulations, rules or requirements from local, regional, state or federal entities that local agencies must comply with for a myriad of issues that inform the policies of the regulated agency in order to meet the standards and goals of the federal government, the state or its political subdivisions."

Related Legislation:

AB 1276 (Carrillo) of 2025 was substantively the same as this bill. AB 1276 was held in the Senate Appropriations Committee.

AB 301 (Schiavo), Chapter 488, Statutes of 2025, required state agencies to comply with the same postentitlement phase review timeframes as local agencies.

SB 838 (Durazo), Chapter 789, Statutes of 2025, amended the HAA to exclude housing development projects containing a hotel, motel, bed and breakfast inn, or other transient lodging.

SB 330 (Skinner), Chapter 654, Statutes of 2019, established the HCA, defined previously undefined terms such as objective standards and complete application in the HAA, and set forth vesting rights for projects that use a new pre-application process.

AB 1515 (Daly), Chapter 368, Statutes of 2017, establishes a reasonable person standard for determining conformance with local land use requirements.

Double-Referred: This bill was also referred to the Committee on Local Government, where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Abundant Housing Los Angeles
Boma California
Cal Chamber
California Building Industry Association
California Building Industry Association (CBIA)
California Business Properties Association
California Business Roundtable
California Self Storage Association
CBIA
Circulate Planning & Policy
Commercial Real Estate Development Association, NAIOP of California
Housing California
LeadingAge California
Orange County Business Council
South Pasadena Residents for Responsible Growth
Southern California Leadership Council
SPUR
Student Homes Coalition
Western Manufactured Housing Communities Association

Opposition

Oppose Unless Amended
Association of California Water Agencies
California Association of Sanitation Agencies
California Municipal Utilities Association
California Special Districts Association

Analysis Prepared by: Dori Ganetsos / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1738 (Carrillo) – As Amended March 16, 2026

SUBJECT: State Housing Law: remote inspections

SUMMARY: Requires a city, county, or city and county (local jurisdiction) to establish a remote virtual building inspection (RVI) program for residential scopes of work by July 1, 2027. Specifically, **this bill**:

1) Requires a local jurisdiction to offer homeowners and contractors the option of requesting RVIs, with the inspection conducted offsite and the homeowner using videoconferencing or recorded media, for the entirety, or a subset, of the inspections required by a building permit for the following scopes of work by July 1, 2027:

    a) Residential water heaters;

    b) Residential heating, ventilation, and air-conditioning systems (HVAC);

    c) Residential reroofs;

    d) Minor residential electrical work;

    e) Residential plumbing work;

    f) Photovoltaic and energy storage systems;

    g) Smoke and carbon monoxide detectors;

    h) Accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) under 800 square feet; and

    i) Home hardening and defensible space.

2) Requires a local jurisdiction to offer homeowners and contractors the option of requesting remote building inspections for the following scopes of work, subject to the discretion of the local construction inspector, by July 1, 2027:

    a) Drywall;

    b) Exterior siding;

    c) Insulation;

    d) Signs;

    e) Window replacements;

    f) Light foundation and footings;

g) Fireplace inserts;

h) Patios or decks;

i) Temporary power poles;

j) Demolition;

k) Removing gas lines;

l) Residential additions under 800 square feet; and

m) Storage sheds under 800 square feet.

3) Limits the provisions of 1) and 2) to single-family units and duplexes.

4) Allows local jurisdictions to keep a digital record of the remote inspection for later review, training, or compliance.

5) Allows a local construction inspector to exercise discretion to conduct future inspections required by a building permit remotely or in person if a homeowner or contractor fails a prior remote inspection associated with that permit.

6) Requires the option for remote inspection to be available at no greater cost and with no greater delay than an in-person inspection.

7) Applies all liabilities and immunities for local jurisdictions and their employees to remote inspections.

8) Allows a local jurisdiction to, at its discretion, establish an audit process to confirm that a homeowner or contractor accurately represented the work that is subject to the remote inspection. Allows a local jurisdiction to temporarily ban the homeowner or contractor from using a remote inspection if the homeowner is found to have willfully misrepresented the work that was subject to the inspection. Further allows a local government to enter into agreements with other local jurisdictions to enforce their temporary homeowner or contractor bans.

9) Requires a local jurisdiction to include information on the local RVI programs in its annual progress reports (APRs) submitted to HCD. The APR must include the number of inspections for different permit scopes conducted remotely and in person, the failure rates of each inspection, and the number of audits conducted of remote inspections for different types of permits.

10) Makes findings and declarations.

EXISTING LAW:

1) 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.” (California Constitution, Article XI, Section 7)

2) Establishes State Housing Law to assure the availability of affordable housing and uniform statewide code enforcement to protect the health, safety, and general welfare of the public and occupants of housing and accessory buildings. (Health & Safety Code (HSC) 17910 - 17998.3)

3) Establishes the California Building Standards Commission (CBSC) within the Department of General Services, which requires CBSC to approve and adopt building standards and codify those standards in the California Building Standards Code. (HSC 18930)

4) Authorizes any officer, employee, or agent of an enforcement agency to enter and inspect any building or premises whenever necessary to secure compliance with, or prevent violation of, State Housing Law, the California Building Standards Code, and other rules and regulations. (HSC 17970)

5) Requires the building department of a local government to complete inspections of permitted residential work for projects containing 1-10 residential units that are no more than 40' tall within 10 business days of receiving notice of completion. (HSC 17970.3)

6) Allows the governing body of any county or city, including a charter city, to prescribe fees for permits, certificates, or other forms or documents required or authorized by State Housing Law or rules and regulations adopted pursuant to State Housing Law, and prohibits these fees from exceeding the amount reasonably required to administer or process these permits, certificates, or other forms or documents, or to defray the costs of enforcement required by State Housing Law to be carried out by local enforcement agencies, as specified. (HSC 17951)

7) Requires, if the local enforcement agency fails to conduct an inspection of permitted work for which permit fees have been charged pursuant to 6), above, within 60 days of receiving notice of the completion of the permitted work, the permittee to be entitled to reimbursement of the permit fees. The local enforcement agency shall disclose in clear language on each permit or on a document that accompanies the permit that the permittee may be entitled to reimbursement of permit fees. (HSC 17951)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "Like many of you, I'm a homeowner, and have also experienced the frustration of waiting weeks for an inspection on a simple home renovation. Even once the inspection date is booked, a routine inspection that only takes 15 minutes can take hours, forcing homeowners to take a day off work and a day of lost pay. Even beyond the money lost from missing work, the cost of delaying these inspections can also cost hundreds if not thousands of dollars.

AB 1738 proposes an alternative to this, by giving homeowners the choice to request a remote virtual inspection for simple home renovations. These remote inspections are already happening throughout the state; 19 different jurisdictions already offer some form of remote inspections. This bill will require local jurisdictions to allow remote virtual inspections upon request for simple renovations. This is a simple, commonsense affordability measure that will help homeowners save time and money. "

State Housing Law: Prior to 1962, the Legislature established minimum building requirements for dwellings in statutory form, and these requirements only applied to incorporated cities, unless a county voluntarily adopted them. In 1962, the Legislature enacted State Housing Law, which provides requirements and procedures for uniform statewide code enforcement to protect the health, safety, and general welfare of the public and occupants of housing and accessory buildings. Among other things, State Housing Law delegates responsibility to state administrative agencies for the adoption of building standards, applies state building codes uniformly, and directs local agencies' administration of code enforcement.

Building Codes: The California Building Standards Code contains building standards and regulations as adopted by the CBSC. These standards include, among other requirements, structural standards for building safety (the Building Code), fire safety standards (the Fire Code), energy efficiency standards (the Energy Code), and standards for green buildings (CalGreen).

The CBSC updates the Building Standards Code on a three-year cycle. Once adopted at the state level, cities and counties are required to adopt the Building Standards Code by ordinance, typically to make local administrative provisions or amendments, but they generally cannot modify state building standards unless they make express findings based on local climatic, geological, or topographical conditions. New construction and improvements to existing buildings must comply with the current building codes, and improvements to an existing building may trigger additional code upgrades for other parts of the building. In 2025, the housing budget trailer bill (AB 130 (Committee on Budget), Chapter 22, Statutes of 2025) paused the adoption of most new or amended residential building standards by the CBSC until June 1, 2031, effectively freezing the residential building code during that period except for emergency health and safety standards, wildfire requirements, climate resilience measures as part of an adopted greenhouse gas emissions reduction strategy, and other limited statutory updates required by state or federal law.

Existing law requires the building department of every city or county to enforce the provisions of the State Housing Law, the California Building Standards Code, and the other specified rules and regulations promulgated pursuant to the State Housing Law.

Housing Approval Process: Planning for, and approving, new housing developments is primarily a local responsibility. Under the California Constitution, cities and counties have broad authority, known as the police power, to regulate land use in the interest of public health, safety, and welfare. Local governments enforce this authority through an entitlement process, which includes both discretionary and ministerial approvals. Gaining "entitlement" is essentially a local government's confirmation that a housing project conforms to all applicable local zoning regulations and design standards. For discretionary projects, environmental review under CEQA is often required as part of the entitlement process. CEQA can influence project design, add mitigation requirements, or delay approval if significant environmental impacts are identified.

Once a project receives entitlement, or approval, from the local planning department, it must obtain postentitlement permits, such as building, demolition, and grading permits. Postentitlement permits are related to the physical construction of the development proposal before construction can begin.

Residential Construction Inspections: Once permits are issued and construction begins, the construction phase involves a separate layer of local government oversight through building inspections. These inspections ensure that the actual construction work complies with approved

plans, building codes, and safety regulations. Local agency inspectors review critical aspects of construction and various scopes of work, such as structural components, electrical and plumbing systems, fire safety measures, energy efficiency, and accessibility requirements at multiple stages of the project. Inspections occur throughout construction, from foundation and framing through final inspection and issuance of a certificate of occupancy, ensuring building safety and compliance with the approved set of plans.

In 2025, the Legislature enacted AB 1308 (Hoover), Chapter 509, Statutes of 2025, to ensure timely building inspections for smaller residential projects. The bill requires local building departments to conduct a building inspection within 10 business days of receiving notice that permitted work is completed for certain small-scale residential construction projects, defined as buildings with one to ten units that are up to 40 feet tall. AB 1308 applies to building permits issued for both new construction of, and residential additions to, these smaller residential projects. If a local agency fails to meet the statutory inspection deadline, the delay constitutes a violation of the Housing Accountability Act. AB 1308 was intended to provide greater certainty and inspection expediency during the construction phase for smaller residential development projects.

Even with relatively quick inspection turnaround times, stakeholders still note inefficiencies with the inspection process. Routine inspections often require contractors to schedule a visit and have workers available on site, which can involve administrative coordination and potential standby time while waiting for inspectors to arrive. In some cases, stakeholders also note that smaller-scale projects or alterations may be built without permits, particularly when the scope of work is perceived as minor to the homeowner or contractor, or when applicants seek to avoid the time, fees, or scheduling coordination associated with the permitting and inspection process. When work proceeds without permits, it occurs outside the formal inspection framework, meaning the building department does not review the construction for compliance with applicable codes or approved plans, potentially resulting in unsafe conditions for the future occupants of the building.

This bill's findings reference a 2022 City of Palo Alto audit, which identified aspects of the building permitting and inspection process that may affect overall timelines. The audit noted that inspection lead times could be as long as approximately two weeks between the time an inspection is requested and when it occurs, and identified inspections as one of several steps in the broader permitting process that contribute to project delays. The audit also included recommendations to improve process efficiency and permit tracking. As context, the audit reflects conditions during the COVID-19 pandemic, when many jurisdictions were experiencing staffing constraints and operational disruptions. Stakeholders indicate that inspection timelines may have improved in some jurisdictions since then, and that inspection turnaround times can vary across jurisdictions.

Remote Virtual Inspections (RVIs): Remote Virtual Inspections (RVIs) allow building inspectors to review permitted construction work without being physically present at the jobsite. Instead, the inspection is conducted using video, photographs, or similar technology while a contractor, property owner, or other representative is present at the site and follows the inspector's directions, or records media to be sent to the inspector. RVIs do not establish a different legal standard of inspection, but rather a different method for conducting an inspection required under existing building and safety laws.

National organizations have issued guidance and best practices related to the use of RVIs, although these materials generally do not create binding requirements for local building departments. The International Code Council (ICC) has published *Recommended Practices for Remote Virtual Inspections*, which describes procedural considerations such as verifying permit status, ensuring adequate connectivity and visibility, maintaining appropriate documentation, and recording inspection results in the jurisdiction's permit-tracking system. The document states that it is provided for informational purposes and does not supersede building codes or local policies. Further, as the bill's findings note, the ICC's best practices provide that "all inspections may qualify for an RVI, depending on the authority having jurisdiction's resources and policies." Similarly, the National Fire Protection Association (NFPA) has published guidance outlining administrative and technical considerations for RVIs, such as determining which inspection types are appropriate for remote review, addressing safety considerations, and establishing procedures for documentation and technology use. These materials are framed as best practices and guidance rather than enforceable standards. The federal Department of Housing and Urban Development (HUD) has also issued program guidance allowing remote video inspections for units using the federal Housing Choice Voucher program for purposes of conducting Housing Quality Standards (HQS) inspections, which assess habitability and safety conditions, not general construction inspections. The guidance directs public housing agencies to develop their own procedures while ensuring proper documentation and verification.

The use of RVIs expanded in some jurisdictions during the COVID-19 pandemic, when local governments adopted remote options to maintain inspection services while limiting in-person contact. Some jurisdictions have continued to offer RVIs following the pandemic, while others have returned primarily to in-person inspections.

Approximately 19 out of the 540 jurisdictions in California currently allow some use of RVIs for portions of their inspection workload. For example, the City of Sacramento offers virtual inspections for certain residential permits, including minor HVAC work, water heater replacement, solar photovoltaic systems, EV charger installations, and some reroof inspections. Other jurisdictions, such as Santa Barbara, Santa Rosa, and Placer County, similarly allow remote inspections for eligible permits at the discretion of the local building inspector. Los Angeles County offers RVIs for the insulation inspection for new construction ADUs, while requiring in-person inspections for the remaining construction phases.

In practice, the types of work most commonly inspected remotely tend to be relatively standardized inspection types, including limited-scope mechanical, electrical, or plumbing work; solar installations; minor equipment replacements; and re-inspections. More complex inspections, such as those involving structural work, foundations, framing, or projects requiring detailed field verification, are generally still conducted in person in most cases.

Other states have also authorized the use of remote inspections in statute or policy. Florida allows enforcement agencies to conduct virtual inspections for certain projects, including some new construction, while prohibiting their use for structural inspections on large "threshold" buildings. Some local jurisdictions in Arizona and Texas have implemented similar programs that allow remote inspections for defined residential scopes of work, such as water heaters, electrical service upgrades, or minor plumbing repairs. These examples illustrate how RVIs have been successfully adopted in other states, generally for limited-scope inspections, while more complex inspections continue to occur through in-person site visits.

This Bill: This bill requires local jurisdictions to offer the option of remote building inspections for certain residential projects and establishes related reporting requirements. Specifically, this bill requires, by July 1, 2027, that a city, county, or city and county, including charter cities, offer homeowners or contractors the option to request an RVI conducted offsite using videoconferencing or recorded photos and videos for inspections associated with building permits for single- and two-family dwelling units.

This bill requires remote inspection to be available for certain types of work, including:

- Residential heaters and HVAC systems
- Residential reroofs
- Minor electrical work (such as service panels, rewiring, whole-house fans, ceiling fans, and new circuits)
- Residential plumbing work (including sewer repair or replacement, replumbing, and fixture replacement)
- Photovoltaic and energy storage systems
- Smoke and carbon monoxide detectors
- ADUs or JADUs units under 800 square feet
- Home hardening and defensible space improvements, including work to comply with the California Wildland-Urban Interface Code

This bill also requires the local government to offer RVIs for certain scopes of work, at the discretion of the construction inspector. These include RVIs for: drywall, siding, insulation, window replacements, light foundations and footings, fireplace inserts, patios or decks, demolition, removing gas lines, temporary power poles, residential additions under 800 square feet, and storage sheds under 800 square feet.

This bill further requires that these RVIs be offered at no greater cost and with no greater delay than in-person inspections. It allows jurisdictions to maintain digital records of remote inspections and authorizes local agencies to conduct onsite audits to confirm that work shown during a remote inspection was accurately represented. If a homeowner or contractor is found to have willfully misrepresented the work, a jurisdiction may temporarily prohibit that individual from using remote inspections, and other local governments may similarly ban that homeowner or contractor from using RVIs in their jurisdiction.

Finally, this bill would add reporting requirements, beginning in 2028 APR that local governments complete and send to HCD, that would provide data regarding whether local jurisdictions have implemented a remote inspection program consistent with the provisions of this bill. The APR would also include data regarding the number of inspections conducted remotely and in person, failure rates for each, and the number of audits conducted by the local government.

Policy Considerations: The Committee may wish to consider the following policy considerations:

1) Scope and Scale: According to the author, approximately 19 of the state's 540 jurisdictions currently offer some form of RVIs, often on a limited basis or at the discretion of the local construction inspector. The Committee may wish to consider the potential operational

impacts of requiring all jurisdictions to offer RVIs across a broad scope of residential inspection types by July 1, 2027.

2) Application to ADUs. This bill would require remote inspection availability for new construction ADUs and JADUs that are less than 800 square feet. ADUs represent approximately 1 in 5 new homes built in the state, largely as a result of successful state policy to streamline the permitting of these unit typologies. While they benefit from a streamlined approvals process, they are still new construction housing units that must comply with all building codes and meet criteria for all habitable units.

   ADU developments can vary widely in complexity, ranging from simple, single-story prefabricated units to more complex, multi-story structures with greater structural and systems requirements. A typical ADU project requires multiple inspections, often five or more, throughout construction. This bill seeks to expedite those through RVIs. These inspections generally include foundation (footing and slab), structural framing, building systems (electrical, plumbing, and mechanical), insulation and energy compliance, and final inspection.

   The Committee may wish to consider whether mandating RVIs for all inspections related to ADUs, from foundation to framing to electrical work, is appropriate at this time, given that the majority of the California jurisdictions currently offering RVIs do not often include all inspections for new construction of habitable space in their existing remote inspection programs. This bill currently places other types of remote inspections associated with new habitable space, like additions to existing buildings up to 800 square feet, in the optional/discretionary category.

3) RVI Inspection Method. As currently written, this bill allows the homeowner or contractor to choose whether a remote inspection is conducted through live videoconferencing or recorded photos and videos. The Committee may wish to consider whether that determination should instead be made by the local building department or construction inspector.

4) Relationship with Existing Guidance. This bill is informed in part by guidance from the ICC regarding remote inspections, which states that "all inspections may qualify for an RVI, depending on the authority having jurisdiction's resources and policies." The ICC notes that its guidance is intended for informational purposes and does not supersede adopted building codes or local inspection policies. The Committee may wish to consider how this bill's requirements interact with local building department practices and code enforcement authority.

5) Enforcement of Contractor Bans. This bill allows jurisdictions to temporarily prohibit homeowners or contractors from using remote inspections if they are found to have willfully misrepresented work during a remote inspection and authorizes jurisdictions to enter into agreements to enforce those bans. The Committee may wish to consider how such bans would be communicated, tracked, and enforced across jurisdictions in practice.

6) Magnitude of the Problem. Existing law generally requires inspections associated with building permits to occur within 10 business days of completion of work for small residential projects, and some jurisdictions report shorter inspection timeframes. The Committee may wish to consider how consistently inspection timelines affect project delivery across

jurisdictions, and whether expanding the use of RVIs would address any identified constraints.

Arguments in Support: SPUR and Permit Power, the bill co-sponsors, write in support: "California faces an urgent housing affordability crisis and an equally urgent need to accelerate climate resilience and clean energy deployment. Outdated permitting and inspection processes–particularly long wait times for routine inspections that take 5-15 minutes–are quietly but significantly driving up costs, slowing new housing production, and delaying clean energy upgrades for California families.

Remote inspections are a proven, cost-effective solution. RVIs allow building inspectors to conduct inspections using live video, recorded video, or photos for eligible projects such as water heaters, HVAC systems, solar and battery installations, minor electrical and plumbing work, ADUs, and re-inspections. These inspections maintain full safety and code compliance while reducing unnecessary travel, scheduling inefficiencies, and backlogs.

Remote inspections are already working across California. At least 19 jurisdictions, small and large–including Los Angeles County, San Diego, Santa Barbara, Berkeley, Santa Rosa, and Placer County–use RVIs for portions of their inspection workload. Statewide and national authorities, including the International Code Council, HUD, and the National Fire Protection Association, have issued standards and best practices supporting their use. Other states, including Texas and Florida, have authorized or required remote inspections in statute.

This is a crucial tool if California wants to meet its electrification and housing construction goals. RVIs remove friction at critical bottlenecks for electrification and renewable energy projects, reduce vehicle miles traveled, and help accelerate deployment of heat pumps, solar, and resilience retrofits."

Arguments in Opposition: California Building Officials (CALBO) writes in opposition: "Some building departments have made routine use of remote and virtual inspections. We commend their approach in finding ways to make innovative practices work for their community. We routinely share their practices with our larger membership and commend their work, but that does not mean that it is a proverbial *fit* for all communities. As one member of our Board cited, when it comes to a virtual inspection via FaceTime, it's not what the contractor *is* showing you, it is what they are **not** showing outside of the camera view. It simply means that building departments need discretion with how remote and virtual inspections are offered. Making the permitting and inspection process more arbitrary, or a "box" to check, is not going to net in an increase in requested services as outlined within AB 1738. It simply diminishes the process of inspection and the life-safety role of the code official.

There is nothing to probit a local building department from moving forward with remote or virtual inspections without mandate. We appreciate the guidelines offered by the International Code Council (ICC) and National Fire Protection Association (NFPA) and routinely encourage our members to reference these materials. As CALBO, we are not anti-remote inspection. Rather, we feel that a one-size fits all approach to inspection services is a disservice to 40 million+ diverse Californians and the local building departments that provide public safety services on their behalf."

Committee Amendments: The Committee may wish to consider the following amendments:

1) Amending the required virtual inspections scope for ADUs as follows:

   (8) All inspections for the permitting of accessory dwelling units or junior accessory dwelling units under 800 square feet, ***except for inspections related to the following: (a)Foundation, including but not limited to, rebar reinforcement, anchor bolts, soil preparation, trench depth, and utility placement***

   (b) Framing, including but not limited to wall and roof

2) Deleting commercial reroofs from the scope of work of required RVIs:

   (3) Residential ~~and commercial~~ reroofs.

3) Adding the word "minor" before "residential plumbing work:"

   (5) ***Minor*** residential plumbing work, including all of the following:

4) Giving the local construction inspector the ability to determine whether the RVI will occur via videoconferencing or recorded photos and videos, rather than the homeowner, and providing that either the homeowner or contractor can be the one virtually meeting with the local construction inspector:

   (2) The remote inspection shall be conducted offsite, with the homeowner or contractor using one of the following methods, at the discretion of the local construction inspector:
   (A) Videoconferencing
   (B) Recorded photos and videos

Related Legislation:

AB 1308 (Hoover), Chapter 509, Statutes of 2025 required building permit inspections for residential projects containing 1-10 dwelling units to be completed in 10 business days.

Double-Referred: This bill was also referred to the Assembly Committee on Local Government, where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Permit Power (Co-Sponsor)
SPUR (Co-Sponsor)
350 Bay Area Action
350 Humboldt: Grass Roots Climate Action
Abundant Housing LA
Acterra: Action for a Healthy Planet
Activesgv
All-electric California
California Climate Action
California YIMBY
Casita Coalition
City of Pico Rivera

Cleanearth4kids.org
Climate Resolve
Fresnans Against Fracking
Housing Action Coalition
Menlo Spark
Natural Resources Defense Council (NRDC)
Redwood Energy
San Francisco Bay Area Planning & Urban Research Association (SPUR)
Santa Cruz Climate Action Network
South Pasadena Residents for Responsible Growth
The Climate Center
The Two Hundred

Opposition

California Building Officials

Analysis Prepared by: Dori Ganetsos / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 1890 (Aguiar-Curry) – As Amended March 10, 2026

SUBJECT: County of Napa: farmworker housing: funding

SUMMARY: Increases the amount of funding the Department of Housing and Community Development (HCD) awards to the Napa County Housing Authorities (NCHA) farmworker centers from $250,000 to $500,000, annually. Specifically, **this bill**:

1) Provides that funding for this program is contingent upon an appropriation in the Budget.

2) Provides that funding provided to NCHA shall not be used to house H-2A workers, and any employer that utilizes Napa County farmworker centers to house H-2A workers is required to reimburse the state for the cost.

EXISTING LAW:

1) Establishes the Napa County Farmworker Centers Account (NCFCA) to be administered by HCD through its Office of Migrant Services (OMS) and requires HCD to administer the program. (Health and Safety Code Section (HSC) 50711.5)

2) Provides that funds provided to NCHA are to assist in financing, maintenance, and operation of the Napa County farmworker centers for year-round use by migrant and nonmigrant farm labor employees. (HSC 5011.5)

3) Allows the funds to be used for specified predevelopment costs, acquisition, development, redevelopment, related infrastructure costs, and operating costs. (HSC 5011.5)

4) Grants the NCHA continued ownership and operation of farmworker centers pursuant to the local ordinances, regulations, or bylaws currently applicable. (HSC 5011.5)

5) Awards up to $250,000 in matching funds to the NCHA upon demonstration that the NCHA is capable of continuing to effectively serve the housing needs of Napa's farmworkers. (HSC 5011.5)

6) Requires that the NCHA provide equal or greater funds from local sources to support financing, maintenance, and operations of housing in order to be eligible for NCFCA funding. (HSC 5011.5)

7) Requires the NCHA to demonstrate its capability of ensuring the fiscal integrity of the farmworker centers and maintaining the projects in a decent, safe, and sanitary manner for at least 25 years. (HSC 5011.5)

8) Allows year-round use of farmworker centers to be interrupted, if necessary, in order to perform maintenance purposes, to allow new migrant farmworkers to obtain housing, or for any other purpose the NCHA deems necessary. (HSC 5011.5)

9) Provides that HCD is not required to promulgate regulations for purposes of soliciting or awarding funds. (HSC 5011.5)

10) Provides that HCD shall use specified funds allocated from the Building Homes and Jobs Trust Fund, as provided by SB 2 (Atkins) of the 2017-18 legislative session, if that bill is enacted to fund the Napa County farmworker centers. If SB 2 is not enacted, another funding source must be identified. (HSC 5011.5)

11) Finds and declares that a special statute is necessary because of the unique circumstances concerning funding for Napa County farmworker centers. (HSC 50711.5)

12) Authorizes Napa County to form a county service area fund for the construction and maintenance of farmworker housing centers. (Government (GOV) Code Section 25213.2).

13) Levies $10 annually per planted vineyard acre on the agricultural industry to support the three Napa farmworker centers (GOV Code 25213.2).

14) Assists agricultural communities with the development, construction, reconstruction, rehabilitation, and operation of migrant farm labor centers through HCD's OMS (HSC 50710-50715).

15) Establishes the Joe Serna, Jr., Farmworker Housing Grant Program (Serna Program) at HCD to fund the new construction, rehabilitation, and acquisition of housing for farmworkers (HCS 50515.5-50517.11).

FISCAL EFFECT: Unknown

COMMENTS:

Author's statement: According to the author, "farmworkers work in the hardest jobs in Napa County's agricultural economy and play a vital role in its success. But many face limited access to affordable housing. NCHAFC are a model for partnerships between employers, government and workers, with subsidies provided by the county and self-assessments on farmers. They provide an important resource by offering low-cost housing and support services for agricultural workers in a region with severe housing shortages. AB 1890 builds on the framework established under AB 317 by extending and increasing the state's authorized matching funds, addressing rising operating costs and supporting the continued operation of these centers. While the centers are located in Napa County, the agricultural workforce they serve contributes to an industry that is critical to the regional and statewide economy. By sustaining stable housing for farmworkers, AB 1890 helps strengthen California's agricultural workforce and support the broader food production system."

Napa Farmworker Housing: Napa County's economy is based largely on its $1 billion agriculture industry, the value of which arises almost exclusively from its wine grape crops. This creates a massive demand for farmworkers in the county, and a related need for housing to support these migrant workers. Farmworkers frequently face significant barriers to accessing stable and affordable housing, particularly in regions like Napa County, where housing costs are high and supply is limited.

To address the housing needs of the farmworker workforce, Napa County operates farmworker housing centers that provide dormitory style housing to migrant farmworkers. Napa County's farmworker centers are different from the other farmworker centers in California. HCD operates the Office of Migrant Services (OMS) program, which manages state-owned farm worker housing centers that provide family-style units that are open 270 days each year. In comparison, Napa County's centers are dorm-style operations that cater to single male residents. Napa County operates three farmworker centers, totaling 180 beds, serving an average of 400 farmworkers during the eleven months of the year that each is open. Housing consists of dorm-style accommodations with two renters per room, and lodgers receive food, hot showers, laundry facilities, a library, and internet access on-site. The center also provides opportunities to participate in community gardens, health screenings, and literacy programs. Farmworkers tend to have lower incomes, higher risk of living in poverty, and limited access to safe, healthy, and affordable housing choices.

In 2001, Napa County was authorized through AB 1550 (Wiggins) Chapter 340 to form a county service area (CSA) to raise funding for the purpose of acquiring, constructing, leasing, or maintaining farmworker housing. The Napa County Board of Supervisors (BOS) adopted an ordinance in 2002 to create CSA No. 4, and, with the approval of the affected property owners, levied a $10 assessment per acre of planted vineyard. AB 1550 limited the original assessment levied by CSA No. 4 to a five-year period but authorized the BOS to seek an extension of the assessment every five years thereafter. In 2017, SB 240 (Dodd), Chapter 72, increased the assessment to $15 per acre.

This private assessment, now at $14 per acre, generates approximately $650,000 in annual revenue, representing about 30% of the operating costs of the housing centers. The assessment has been reauthorized by the property owners every five years since then.

In 2017, AB 317 (Aguiar-Curry), Chapter 469, authorized $200,000 in state General Fund to support the Napa County farmworker centers. This funding will expire in the fiscal year 2028-29. At the time, the author argued that inflation had increased the farmworker centers' annual operating expenses, and while the County of Napa and its partners have been fiscally responsible in building reserves, increasing costs had eroded this source. The additional funding provided by AB 317 would stave off closure of the centers at the time, which the county was predicting would happen by 2018 when the centers would run out of reserves. HCD operates all other OMS centers. AB 317 essentially directed funds that would go toward state-operated OMS centers in Napa to support the existing farmworker centers upon demonstration that the NCHA is capable of continuing to effectively serve the housing needs of migrant or other farmworkers. The NCHA must provide equal or greater funds from local sources.

This bill would increase the amount that the state provides to the Napa County farm centers from $250,000 to $500,000 annually. The author is also requesting an allocation in the budget to fund the centers.

H-2A Visa Program: The H-2A Visa program is a federal program that allows U.S. employers or U.S. agents who meet specific regulatory requirements to bring foreign nationals to the United States to fill temporary agricultural jobs. Petitioners requesting to utilize this program must demonstrate that there are not enough U.S. workers who are able, willing, qualified, and available to do the temporary work. They must also show that employing H-2A workers will not adversely affect the wages and working conditions of similarly employed U.S. workers.

Employers must provide clean and safe housing to H-2A workers at no charge to the employee. Employees are responsible for their food costs, but employers must provide a place for workers to prepare their meals. An employer must arrange for a worker's transportation from the originating country to the place of employment or reimburse the worker for transportation costs.

Since its introduction in 1986, the H-2A program has grown steadily in size. According to the U.S. Department of Labor, in 2000, there were approximately 30,000 visa-holders, in 2010 there were approximately 55,000, and in 2016 there were over 134,000 (including 11,000 in California). This represents about 4-7% of farmworkers nationwide, and 2-3% in California. According to the Economic Policy Institute, this increase is because "most crop workers are unauthorized, and farmers are turning to H-2A guestworkers as unauthorized migration from Mexico to the United States slows, to replace current workers who leave agriculture to find non-farm jobs."

The H-2A program is not uncontroversial. Farmers convey that the additional cost of providing housing and transportation, without the ability to offset those costs through lower wages, limit their use of the program. However, they cite its practical necessity in the face of a diminishing labor supply and the inability of Congress to pass immigration reform that meets the well-documented needs of the nation's food producers. Opponents point to the fact that H-2A visa ties the worker to the employer. They cite power imbalance as enabling substantial abuses, including lack of access to legal resources, wage theft, poor housing, denial of medical benefits for on-the-job injuries, and withholding of documents.

As stated above, current federal law requires employers utilizing the H-2A program to provide clean and safe housing to H-2A workers at no charge to the employee. According to the sponsor of this bill, Napa County farmworker centers do not house H-2A workers. Workers are not referred to the centers by their employers, but rather learn about the center through outreach made by the Napa Housing Authority. This bill prohibits centers from providing housing to H-2A workers, and if they do, employers must reimburse the state for the cost of the housing.

Arguments in Support: According to the sponsor, the Napa County Board of Supervisors, "Farmworkers are essential to California's agricultural economy, yet many struggle to find safe and affordable housing. Limited housing options often force workers to commute long distances, live in overcrowded conditions, or leave the region entirely. Ensuring access to stable, affordable housing is critical to supporting the agricultural workforce that sustains local communities and California's broader food production system. AB 1890 increases the authorized state matching funds to help address rising operating costs and ensure the continued operation of these centers. By strengthening an existing and proven partnership between the state and local housing providers, the bill helps maintain stable housing for farmworkers while supporting the agricultural workforce that California relies on."
Arguments in Opposition: None on file.

Related Legislation:

AB 317 (Aguiar-Curry), Chapter 469, Statutes of 2017 established the NCFCA within the Department of Housing and Community Development (HCD) and authorized $250,000 in funding annually.

SB 240 (Dodd), Chapter 72, Statutes of 2017 increases the county service area assessment on productive vineyard acres from $10 to $15 per vineyard acre.

AB 1550 (Wiggins), Chapter 340, Statutes of 2001 authorized the County of Napa to establish county service areas for the sole purpose of acquiring, constructing, leasing, or maintaining farmworker housing.

REGISTERED SUPPORT / OPPOSITION:

Support

Napa County Board of Supervisors (Sponsor)
American Canyon Chamber of Commerce
California Farm Bureau Federation
City of Napa
City of St. Helena
CommuniCare+OLE
Generation Housing
Napa Chamber of Commerce
Napa County Farm Bureau
Napa County Hispanic Chamber of Commerce
Napa County Hispanic Network
Napa Housing Coalition
Napa Valley Community Foundation
Napa Valley Community Housing
Napa Valley Vintners
Providence
Puertas Abiertas Community Resource Center
Rios Farming Co.
Rios Farming Company, LLC
Silverado Farming
UnidosUS
Up Valley Family Centers of Napa County
Up Valley Family Centers of Napa County
Winegrowers of Napa County

Opposition

None on file.

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 2035 (Dixon) – As Introduced February 17, 2026

SUBJECT: Common interest developments: declarations: amendments

SUMMARY: Allows a court to approve a change to the governing documents (CC&Rs) in a homeowners association (HOA), meeting specified criteria, if the change is approved by 37% of the owners, rather than 50%. Specifically, **this bill**:

1) Adds an option for HOA members to approve amendments to their governing documents with 37% of the vote of the owners, rather than the standard 50% threshold, by petitioning a superior court, but only for HOAs that meet all of the following criteria:

    a) They are a senior citizen housing development;

    b) They contain more than 6,000 separate interests (units);

    c) More than 25% of the units are occupied by owners for less than 6 months in a year;

    d) More than 25% of the units are tenant occupied; and

    e) The declaration has not been amended in at least 35 years.

EXISTING LAW:

1) Provides that an HOA or member may petition the superior court to reduce the percentage of affirmative votes required to amend the declaration when the declaration requires more than 50% approval of the membership (or of multiple voting classes). (Civil Code (CIV) 4275).

2) Establishes that the petition must include documentation such as the governing documents, the full amendment text, solicitation materials, vote results, and an explanation of the amendment. (CIV 4275)

3) Provides that the court may approve the amendment if it finds that:

    a) Proper notice of the hearing was given (at least 15 days);

    b) The balloting complied with governing documents and applicable law;

    c) The HOA made a reasonably diligent effort to obtain votes;

    d) More than 50% of the votes actually cast supported the amendment, including a majority of each required voting class; and

    e) The amendment is reasonable and approval is not otherwise improper. (CIV 4275)

4) Authorizes the court to confirm the amendment as valid based on the votes actually received and to waive quorum or higher voting thresholds required by the governing documents. (CIV 4275)

5) Requires that after recordation, the HOA must deliver a copy of the amendment to all members with notice that it has been recorded. (CIV 4275)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "AB 2035 provides a commonsense solution to allow large, senior citizen common interest developments to amend significantly out of date declarations when they are unable to reach quorum requirements established by their CC&Rs. Some HOAs, such as Third Laguna Hills Mutual, are unable to meet quorum requirements for amendments to their CC&Rs and the current statutory alternative to reduce quorum requirements to 50% is insufficient. AB 2035 creates an additional alternative to reduce quorum requirements to 37% when the common interest development meets specified conditions. Specifically, the common interest development is required to be a senior citizen housing development, must contain at least 6,000 separate interest, more than 25% of those interests are occupied by non-owner residents, and that the development's declaration has not been amended in 35 years.

This alternative will allow large, senior citizen developments to amend their CC&Rs when they are unable to meet quorum requirements while maintaining strong guardrails to ensure an equitable outcome. By maintaining the existing court petition process used for quorum reduction requests, AB 2035 ensures that this exception will only be used in specific, unique and necessary situations."

Common Interest Developments: There are over 50,000 CIDs in the state that range in size from three to 27,000 units, with the average CID having 286 residents. CIDs make up roughly 4.7 million housing units, and 36% of Californians (over 14 million Californians) live in a CID. These rates are even higher for homeowners, with approximately 65% of homeowners living in a CID. CIDs include condominiums, community apartment projects, housing cooperatives, and planned unit developments. They are characterized by a separate ownership of dwelling space coupled with an undivided interest in a common property, restricted by covenants and conditions that limit the use of common area, and the separate ownership interests and the management of common property and enforcement of restrictions by an HOA. CIDs are governed by the Davis-Stirling Common Interest Development Act (the Act) as well as the governing documents of the association (Covenants, Conditions, and Restrictions, or CC&Rs), including bylaws, declaration, and operating rules.

Davis-Stirling Common Interest Development Act: The Davis-Stirling Act (Act) went into effect in 1986 and is the primary body of law governing CIDs in California. The Act provides the legal framework for the creation and management of HOAs, including rules related to governance, assessments, dispute resolution, maintenance responsibilities, and member rights. The law aims to balance the authority of HOAs with the rights of individual property owners, ensuring that communities are managed efficiently and fairly.

Over time, the Davis-Stirling Act has been amended to address the evolving needs of CIDs and to increase transparency, accountability, and consumer protections. Key provisions include

requirements for open meetings, financial disclosures, election procedures, and architectural review processes. The Act also provides mechanisms for resolving disputes, including internal dispute resolution and alternative dispute resolution before certain legal actions can proceed. As CIDs continue to represent a significant portion of California's housing stock, the Davis-Stirling Act plays a critical role in shaping the living environment and governance of millions of residents across the state.

CC&Rs: CC&Rs are essentially the constitution of any given HOA community. They establish the rules, restrictions, and rights that bind all owners, covering everything from architectural standards to pet policies to how the association itself is governed. Because CC&Rs are recorded against the property, they run with the land, binding future owners to the governing documents as well as the current owners. CC&Rs often require amendments to address the changing needs of any given community. However, amending an HOA's CC&Rs is intentionally difficult. Most declarations require approval from a supermajority of all members, often ranging from 50-75% of all HOA members, not just all voting members. In a large HOA development, this can mean thousands of individual owners must affirmatively cast ballots. This can present logistical challenges even under the best circumstances, as HOA voting rates tend to be low.

Under the Act, there is an existing process through which HOA members can seek to address this difficulty in obtaining a majority of votes of all HOA members: if an amendment to the HOA's CC&Rs falls short of the voting threshold required by the HOA documents, an HOA or member can petition a superior court to approve the amendment anyway, so long as the court finds the process was fair, the effort to reach members was diligent, and the amendment is reasonable. But even under the court petition process in existing law, at least 50% of members must have voted in favor of the proposed amendment.

This bill adds a new pathway for a narrow category of developments where achieving even 50% of the HOA members voting in favor of an amendment may be infeasible. This bill would provide large senior communities with more than 6,000 homes, where a significant share of owners are part-time residents or have rented out their units, and who have not updated their CC&Rs in the past 35 years, with an alternative pathway to amending their governing documents. For those communities, a court could approve an amendment with as little as 37% approval from the HOA membership. This could provide them with a mechanism to modernize CC&Rs that have not been amended in over three decades.

One such community that this bill would apply to is the Third Mutual of Laguna Hills, the largest HOA in Laguna Woods, California. This HOA has been unable to amend its CC&Rs since 1988. Under its CC&Rs, it would need to achieve a 67% affirmative vote from all households to update its CC&Rs, and it is subject to the same 50% threshold as all HOAs in the state in order to petition a superior court to approve the amendment anyway. According to the author, this HOA has spent hundreds of staff hours and over $100,000 to try to turn out voters in order to meet this requirement. However, to date, the highest turnout percentage the HOA has achieved in these types of elections was about 40% of their membership. This has left the HOA and its residents in a situation where their CC&Rs are not reflective of modern governance practices and the current requirements of the Act. This bill would lower the threshold for the superior court to approve amendments to the CC&Rs for Third Mutual of Laguna Hills to 37%, rather than the statewide 50%.

Arguments in Support: The Third Mutual of Laguna Hills writes in support: "AB 2035 offers a very precise approach designed to provide Third Mutual the opportunity to update our 38-year-old CC&Rs. It does so by lowering to 37% the affirmative vote required to petition the court for approval of the CC&R amendments. The bill sets the following criteria for an HOA to qualify for this provision:

- The development must be a senior citizen housing development
- There must be more than 6,000 separate homeowner interests
- More than 25% of the separate interests must be occupied by non-owner tenants
- The development's CC&R declarations cannot have been amended in at least 35 years

In addition to updating Third Mutual's CC&Rs to reflect statutory changes to the Davis-Stirling Act over the last 38 years, we wish to update our CC&Rs to reflect current circumstances reflective of modern technology and policy changes that have occurred over the decades, such as the introduction and use of electric vehicles and the correlating need for EV chargers.

AB 2035 is a fair and common-sense solution for Third Mutual of Laguna Hills to provide our homeowners with the ability to approve updated rules, and to provide the necessary and appropriate clarity and accountability with respect to our oversight and governance."

Arguments in Opposition: None on file.

Double-Referred: This bill was also referred to the Assembly Committee on Judiciary where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Third Laguna Woods Mutual

Opposition

None on file.

Analysis Prepared by: Dori Ganetsos / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 2162 (Bryan) – As Introduced February 18, 2026

SUBJECT: Housing: county funding allocations: nonminor dependents and young adults

SUMMARY: Expands the age that young adults, formerly in the foster care or probation system, can qualify for housing navigation services from the Housing Navigation and Maintenance Program (HNMP) from 18 to 24 to 18 to 28 and makes other changes to the Transitional Housing Program (THP) and the HNMP. Specifically, **this bill**:

HNMP:

1) Replaces "former foster youth" with "young adult formerly in the state's foster care or probation system."

2) Adds the following definitions to the HNMP:

   a) "Homeless" has the same meaning as defined in Part 578.3 of Title 24 of the Code of Federal Regulations;

   b) "Housing authority" means a housing authority created pursuant to the Housing Authorities Law;

   c) "Nonminor dependent" has the same meaning as defined in subdivision Welfare and Institutions Code 11400; and

   d) "Young adult formerly in the state's foster care or probation system" has the same meaning as defined Health and Safety Code Section (HSC) 50807.

3) Expands the age range a young adult formerly in the state's foster care or probation system can receive funding from HNMP from 18 to 24 years old to 18 to 28 years old.

4) Requires counties that receive funding from HNMP to prioritize nonminor dependents in addition to youth adults formerly in the state's foster care or probation system.

5) Specifies the eligible uses of HNMP funding to include, but not be limited to the following:

   a) Assisting young adults with identifying and applying for housing, including housing that qualifies as a supervised independent living placement, as specified;

   b) Assisting young adults with applying for a federal housing choice voucher and identifying housing with the housing choice voucher;

   c) Providing young adults with financial assistance to help cover the cost of housing application fees, security deposit, first month's rent, utility set-up, and other move-in costs;

   d) Providing landlord incentives; and

e) Providing young adults with supportive services that help them maintain stable housing, including education and employment support, financial literacy and planning, case management, and counseling.

6) Requires a child welfare agency that accepts funds from HNMP to report the following to HCD annually:

a) A copy of the memorandum of understanding or letter of intent the child county welfare agency has with the housing authority to provide housing vouchers funded by the federal Family Unification Program (FUP) or the federal Foster Youth to Independence Initiative (FYI);

b) Provides that if the county child welfare agency does not partner with a housing authority to provide FUP or FYI vouchers, the child welfare agency shall state the reason why it does not partner with a housing authority to provide those housing vouchers; and

c) The number of housing vouchers that have been issued to young adults in the county that are funded by the federal FUP or FYI programs. Provides that "issued" means the voucher has been assigned to a specific person, whether that person is searching for housing or has entered into a lease, and whether the voucher is new or recycled.

7) Requires HCD to make the information collected in 6) a) and b) above publicly available, annually.

THP:

1) Replaces "former foster youth" with "young adult formerly in the state's foster care or probation system."

2) Adds a definition of "homeless" consistent with Federal law.

EXISTING LAW:

HNMP:

1) Requires HCD, upon an appropriation from the Budget, to allocate funding to county child welfare agencies to provide housing navigators to help young adults who are 18 to 24 years old secure and maintain housing. Requires a county that receives an allocation pursuant to this subdivision to give priority to young adults currently or formerly in the foster care system.

2) Requires HCD to consult with the DSS, DOF, and CWDA to develop an allocation schedule for purposes of distributing HNMP allocated to counties.

3) Requires the county that accepts HNMP to provide training to its child welfare agency social workers and probation officers who serve nonminor dependents that addresses an overview of the housing resources available through the local coordinated entry system, homeless continuum of care, and county public agencies, including, but not limited to, housing navigation, permanent affordable housing, THP-Plus, and housing choice vouchers. Requires the training to also address how to access and receive a referral to existing housing

resources, the social worker's and probation officer's role in identifying unstable housing situations for youth and referring youth to housing assistance programs.

4) Requires a child welfare agency that accepts HNMP to report the following data to the Department of Housing and Community Development on an annual basis:

   a) The number of homeless youth served;

   b) The number of foster youth served;

   c) The number of former foster youth served;

   d) The number of homeless youth who exited homelessness into temporary housing; and

   e) The number of homeless youth who exited homelessness into permanent housing. (Health and Safety Code Section (HSC) 50811)

THP:

1) Requires HCD, upon an appropriation in the Budget, to allocate funding to county child welfare agencies to help young adults who are 18 to 24 years old secure and maintain housing with priority given to young adults formerly in the state's foster care or probation systems.

2) Requires HCD to consult with Department of Social Services (DSS), the Department of Finance (DOF), and the County Welfare Directors Association of California (CWDA) to develop an allocation schedule to distribute funds for the Transitional Housing Program.

3) Requires a child welfare agency that receives funds from the THP to report the following data to HCD each year:

   a) The number of homeless youth served;

   b) The number of former foster youth served;

   c) The number of homeless youth who exited homelessness into temporary housing; and

   d) The number of homeless youth who exited homelessness into permanent housing.

4) Requires HCD to accept one county board resolution and one allocation acceptance form, and execute one standard agreement, for both the THP pursuant and the HNMP.

5) Defines "former foster youth" to mean a child or nonminor dependent, as defined by Section 475 of Title IV-E of the Social Security Act (42 U.S.C. Sec. 675(8)) and subdivision (v) of Section 11400 of the Welfare and Institutions Code, who had been removed by the juvenile court from the custody of their parent, legal guardian, or Indian custodian pursuant to Section 361 or 726 of the Welfare and Institutions Code, ordered into a placement described in paragraphs (2) to (9), inclusive, of subdivision (e) of Section 361.2 of, or paragraph (4) of subdivision (a) of Section 727 of, the Welfare and Institutions Code, and for whom juvenile

court jurisdiction was terminated while the youth remained in placement. (Health and Safety Code Section 50807)

FISCAL EFFECT: Unknown.

COMMENTS:

THP: THP provides funding to county child welfare agencies to assist young adults ages 18 to 24 in securing and maintaining housing. This funding was established to expand on local transitional housing programs (called "THP-Plus"). The THP-Plus model provides up to 36 months of subsidized (or free) housing and supportive services to former foster and out-of-home probation youth ages 18 to 24. Young adults formerly in the state's foster care or probation systems get priority funding. County child welfare agencies that accept THP funding are required to report the following to HCD annually: 1) the number of homeless youth served; 2) the number of former foster youth served; and, 3) the number of homeless youth who exited homelessness either into temporary or permanent housing. THP funding is very flexible, and counties that accept it are able to use it to expand existing programs or establish new programs based on local housing and service needs; however, the funding must be used to assist young adults with securing and maintaining housing. Funding can be used to help youth secure and maintain housing (with priority given to those formerly in the state's foster care or probation system); improving coordination of services and linkages to community resources within the child welfare system and the homeless continuums of care; and outreach and targeting to serve those with the most-severe need. THP receives an annual $33.3 million in funding.

HNMP: HMNP provides housing navigation and maintenance services to youth ages 18 through 24. County child welfare agencies receive funding from HCD to support housing navigators to assist young adults in securing and maintaining housing. Young adults currently in the foster care and probation systems are prioritized for funding. HNMP can be used to provide housing case management, including essential services in emergency supports to foster youth; to prevent young adults from becoming homeless; and to improve the coordination of services and linkages to key resources across the community including, those from within the child welfare system and the local Continuum of Care. HNMP receives an annual $13.7 million in the budget.

When a county child welfare agency accepts HNMP funding, they are required to provide training to their social workers and probation officers that provides an overview of the housing resources available through the local coordinated entry system, homeless continuum of care, and other county public agencies, such as housing navigation, permanent affordable housing, THP-Plus, and housing choice vouchers. The training must also address how to access and receive a referral to existing housing resources, the social worker's and probation officer's role in identifying unstable housing situations for youth, and referring youth to housing assistance programs. On an annual basis, county child welfare agencies that accept HNMP funding are required to provide a report to HCD regarding: the number of homeless youth served; the number of foster children served; the number of homeless youth who exited homelessness into temporary housing; and the number of homeless youth who exited homelessness into permanent housing.

The John Burton Foundation, the sponsor of this bill, provided data through June 2024 that HCD collected about the THP and HNMP. The data showed that 10,560 participants had been served, 2,500 were homeless at the time of program entry, 8,610 had been in foster care and 406 reported being incarcerated prior to the program.

Federal Youth Housing Vouchers: The federal government makes special purpose housing choice vouchers available for former foster youth through the FYI and FUP. Housing authorities administer the FYI and FUP vouchers and rely on county child welfare agencies to refer youth, verify eligibility, and provide supportive services. HNMP funds the supportive services required by the federal government to utilize the vouchers. Prior to the creation of HNMP, FYI and FUP vouchers were underutilized because counties lacked funding to provide the services which are both required by HUD and necessary for youth to identify and secure housing with their voucher. According to the sponsor, since HNMP was expanded to include supportive services, California's vouchers have increased by a full 136% from 870 vouchers in 202 to over 2,000 in 2024.

The FYI and FUP vouchers are the only youth-focused housing program that assists young adults beyond age 24. Youth can receive rental assistance from their FYI/FUP voucher for up to five years. For youth who receive their voucher at age 24, the age cap for initiating assistance, they can keep their voucher through age 28. However, the upper age limit of HNMP is 24. Counties therefore lack the resources to offer essential services to voucher holders beyond age 24, including supporting the pursuit of education, employment, and other self-sufficiency-related goals. This bill would allow a county to use HNMP to serve young people who are formerly foster youth up to 28 years of age.

Reporting Requirements: As a condition of receiving HNMP grant funding, county child welfare agencies are required to report demographic and outcome data on the youth they serve with the funds. This bill would expand on these reporting elements to include whether the county child welfare agency partners with housing authorities to participate in FYI and FUP vouchers; the number of FYI and FUP vouchers they have requested from their housing authority; and, if no partnership exists to administer these vouchers, the reason why. HCD would be required to post the above information publicly to strengthen accountability for maximizing federal funding and increase access to vouchers by producing awareness of voucher capacity statewide.

Arguments in Support: According to the sponsor, the John Burton Foundation, "AB 2162 would make targeted improvements to the Housing Navigation and Maintenance Program (HNMP), administered by the California Department of Housing and Community Development (HCD) to county child welfare agencies. Many counties use HNMP to fund housing navigation and supportive services for former foster youth who receive federal Housing Choice Vouchers through the Foster Youth to Independence Initiative and Family Unification Program (FYI/FUP). FYI/FUP is administered by the U.S. Department of Housing and Urban Development (HUD) to Public Housing Authorities, which partner with county child welfare agencies."

Arguments in Opposition: None on file.

REGISTERED SUPPORT / OPPOSITION:

Support

Alliance for Children's Rights
Alternative Family Services
Aspiranet
Association of Community Human Service Agencies
Better Youth, INC.
Bill Wilson Center

California Alliance of Caregivers
Casa Pacifica Centers for Children and Families
Center for Public Interest Law/children's Advocacy Institute/university of San Diego
Children Now
Creative Alternatives
David & Margaret Youth and Family Services
EA Family Services
Glendale Youth Alliance
Glide
Hillsides Pasadena
New Alternatives
Orangewood Foundation
Ready for Life Host Homes
Ritter Center
Safe Place for Youth
Stepping Forward LA
Sycamores
The Heart Matters Transitional Housing Program
TLC Child and Family Services
United to End Homelessness
Whole Person Learning
Young People to the Front

Opposition

None on file.

Analysis Prepared by: Lisa Engel / H. & C.D. / (916) 319-2085

Date of Hearing: March 25, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
AB 2433 (Alvarez) – As Introduced February 20, 2026

SUBJECT: Housing development: affordable homes bonus

SUMMARY: Makes numerous changes to Density Bonus Law (DBL), including increasing the available incentives and concessions for for-sale housing development projects, establishing a by-right ministerial review process for infill DBL housing developments, amending floor area ratio (FAR) provisions, and renaming DBL as the "Affordable Homes Bonus Program." Specifically, **this bill**:

1) Provides that a city or county shall comply with DBL if the jurisdiction determines an applicant meets at least one of the affordability criteria that would make a housing development project eligible for a density bonus.

2) Requires a local government to proactively notify an applicant for a housing development that the housing development is eligible for a density bonus, incentive or concession, waiver or reduction of development standard under DBL.

3) Requires a local government to list a DBL project as an "affordable homes bonus project" or a "density bonus project" on any public-facing agenda discussing or considering the approval of any element of a housing development under DBL.

4) Provides an applicant for a DBL housing development with two extra concessions or incentives across the board, and with an additional two incentives or concessions added if the proposed DBL project includes for-sale units.

5) Provides that notwithstanding any other law, the granting of a density bonus, concession or incentive, waiver or reduction of development standards under DBL shall not be discretionary and shall not require, or be interpreted to require, any general plan amendment, local coastal plan amendment, zoning change, amendments, study, or other discretionary approval or environmental review under the California Environmental Quality Act (CEQA).

6) Allows an applicant to elect to use the maximum residential FAR of the site to calculate the maximum allowable gross density of the housing development, and then use the density bonus provided through DBL to increase the FAR of the site.

7) Deletes the requirement that for the purposes of of calculating a density bonus, the residential units shall be on contiguous sites that are the subject of one development application, but do not have to be based upon individual subdivision maps or parcels, and that the density bonus shall be permitted in geographic areas of the housing development other than the areas where the lower income units are located.

8) Replaces the provision in 7) with language providing that the density bonus, incentives or concession, and waiver or reductions of development standards shall be permitted within or outside of the geographic areas of the housing development where the affordable or market rate units are located.

9) Provides, for the purpose of calculating a proposed DBL housing development's "maximum allowable residential density" or "base density," that if the proposed development's underlying land use controls establish a FAR standard where at least a portion of the FAR may be used for residential purposes, and the applicant may elect to use the site's entire FAR for residential use with the use of an incentive or concession, or a waiver or reduction of development standards, the base density shall be calculated on the realistic development capacity of the site's entire floor area ratio after the increase.

10) Defines "moderate-income household" as including lower income, very low income, and extremely low income households.

11) Provides that notwithstanding any other law, if a housing development project satisfies the requirement of the infill housing CEQA exemption in AB 130 (Committee on Budget), Chapter 22, Statutes of 2025, and is eligible for a density bonus, incentives or concessions, and waivers or reductions of development standards under DBL, the housing development project shall be a use by right and subject to ministerial review.

12) Renames "DBL" as the "Affordable Homes Bonus Program."

13) Makes other technical, clarifying, and conforming changes.

EXISTING LAW:

1) Establishes DBL, which requires a local government to do all of the following:

    a) Adopt procedures and timelines for processing a DBL application;

    b) Provide a list of all documents and information required to submit with the DBL application for it to be deemed complete; and

    c) Provide an applicant with information related to the amount of density bonus for which the applicant is eligible, and whether the applicant has provided adequate information for the local government to make a determination as to the granting of any requested incentives, concessions, waivers, or reductions in development standards, at the time of application completeness.(Government Code (GOV) 65915)

2) Requires local governments to grant a density bonus when an applicant for a housing development, defined as a development containing "five or more residential units, including mixed-use developments," seeks and agrees to construct a project that will contain at least one of the following:

    a) 10% of the total units of a housing development for lower-income households;

    b) 5% of the total units of a housing development for very low-income households;

    c) A senior citizen housing development or mobile home park;

    d) 10% of the units in a common interest development (CID) for moderate-income households;

e) 10% of the total units for transitional foster youth, veterans, or persons experiencing homelessness;

f) 20% of the total units for lower-income students in a student housing development; or

g) 100% of the units of a housing development for lower-income households, except that 20% of units may be for moderate-income households. (GOV 65915)

3) Requires local governments to grant a density bonus ranging from 20% to 50% for rental developments that include a minimum percentage of units affordable to very low-, low-, or moderate-income households, with the bonus increasing on a sliding scale based on the level of affordability provided. For 100% affordable rental developments, the law provides a bonus of up to 80%, along with additional incentives such as increased height limits, reduced parking requirements, and modified development standards if the project is located within ½ mile of a major transit stop or in a low vehicle miles traveled (VMT) area. In certain cases, 100% affordable projects in qualifying areas may be allowed unlimited density. (GOV 65915)

4) Requires a local government to grant an additional density bonus on top of the bonus in 2) if the applicant agrees to include additional rental or for-sale units affordable to very low income households or moderate income households. (GOV 65915)

5) Provides that, upon the developer's request, the local government may not require parking standards greater than the parking ratios specified in DBL. (GOV 65915)

6) Requires applicants to receive concessions and incentives depending on the percentage of affordable housing included in the proposed development. "Concessions and incentives" means the following:

a) A reduction in site development standards, or a modification of zoning code requirements, or architectural design requirements, that exceed the minimum building standards, including, but not limited to, a reduction in setback and square footage requirements and in the ratio of vehicular parking spaces that would otherwise be required, resulting in identifiable and actual cost reductions, to provide for affordable housing costs, as specified;

b) Approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and if the commercial, office, industrial, or other land uses are compatible with the housing project and the existing or planned development in the area where the proposed housing project will be located; and

c) Other regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions to provide for affordable housing costs, as specified. (GOV 65915)

7) Provides that the granting of a density bonus, incentive, or concession shall not be interpreted in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval. (GOV 65915)

8) Establishes procedures for calculating the maximum allowable residential density, or base density, of the project, for which the bonus is to be calculated based on. (GOV 65915)

9) Provides that, in no case, may a local government apply any development standard that will have the effect of physically precluding the construction of a development at the densities or with the concessions or incentives permitted by DBL. (GOV 65915)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "California's housing crisis has been decades in the making, but Bonus Law is proof that the right policies work. Over the past five years, Bonus Law has entitled more than 140,000 homes across the state, making it the most utilized and successful housing program currently in law.

AB 2433, the Affordable Homes Bonus Law, builds on that success to make the promise of homeownership more obtainable for the people who make our communities work. This bill strengthens the incentives for builders who commit to affordable housing, holds cities accountable to clear timelines, and removes unnecessary barriers that have slowed or blocked good projects for years. When a developer is willing to do the right thing and build homes working families can afford, state law should make that easier."

California's Housing Crisis: California's housing crisis is a half-century in the making.[1] After decades of underproduction, supply is far behind need, and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state.[2] One in three households in the state doesn't earn enough money to meet their basic needs.[3] In 2024, over 187,000 Californians experienced homelessness on a given night.[4]

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6th Regional Housing Needs Allocation (RHNA) cycle. By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year.[5]

The state's housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Terner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and

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[1] California Department of Housing and Community Development, *A Home for Every Californian*: 2022 Statewide Housing Plan. March 2022, https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136
[2] IBID.
[3] IBID.
[4] U.S. Department of Housing and Urban Development, Point in Time Counts. https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html
[5] https://www.hcd.ca.gov/policy-research/housing-challenges.shtml

Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state's highest-cost regions.[6]

Density Bonus Law: California's DBL, originally enacted in 1979, is a key state policy tool aimed at addressing the financial challenges of building affordable housing, particularly in high-cost markets. Given the state's elevated land and construction costs, the private market struggles to deliver housing that is affordable to low- and moderate-income households without public subsidy. An analysis by the California Housing Partnership compares the cost of market rate developments with the median cost of developing affordable rental homes. In the four regions analyzed, the study found that the cost of developing one unit of affordable housing ranged from approximately $480,000 to $713,000, while the cost of developing one unit of market rate housing in the state ranged from approximately $508,000 to $637,000.[7] The increased cost for the deed-restricted affordable units can be attributed, in part, to the difficulty associated with assembling a capital stack for affordable housing development, the complex regulations that these affordable units must comply with, and the added cost of labor requirements tied to certain public funding sources used by affordable housing developers.

DBL seeks to close some of the financial gaps associated with building affordable housing by allowing developers to build more units than local zoning laws typically permit, known as a "density bonus," in exchange for reserving a certain percentage of the housing units as affordable. This increased density enables the fixed costs of development to be spread across more units, thereby helping to offset the lower returns from the affordable units and reducing the need for direct public subsidy. Under current law, any housing development proposing five or more units, including mixed-income developments, can take advantage of the provisions of DBL.

To qualify for a density bonus, a project must include one of several affordability options, including providing units for lower-income, very low-income, or moderate-income households, or targeting specific populations such as seniors, transition-age foster youth, disabled veterans, or lower-income college students. All affordable rental units built under DBL must be deed-restricted for at least 55 years to ensure long-term affordability. Local governments are required to adopt a local ordinance implementing DBL. However, even if a local government has not formally adopted a density bonus ordinance, it is still legally obligated to comply with state law and grant the bonuses and concessions to qualifying projects as requested by developers.

Under DBL, when a mixed-income housing development includes a minimum percentage of affordable units, such as 5% very low-income or 10% lower-income, it becomes eligible for a density bonus for additional market-rate units starting at 20%, with the potential to increase up to 50%, depending on the proportion of affordable units provided. Fully affordable projects can qualify for up to an 80% density bonus, or unlimited density if located within ½ mile of a major transit stop, or in a very low vehicle travel area.

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[6] UC Berkeley Terner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025

[7] Mark Stivers, *Affordable Housing Compares Favorably to Market-Rate Housing From a Cost Perspective*, California Housing Partnership, January 2024: https://chpc.net/affordable-housing-compares-favorably-to-market-rate-housing-from-a-cost-perspective/#:~:text=It%20turns%20out%20that%20costs,market%2Drate%20developments%20do%20not.

In addition to the density bonus, eligible projects are entitled to receive between one and five regulatory incentives or concessions, depending on the share of affordable housing units provided. These may include modifications to development standards such as reduced setbacks, increased building height, higher floor area ratios (FAR), or reduced parking requirements, when those changes result in actual and identifiable cost savings that help support the affordable units. Because DBL applies to mixed-use developments, a project may also receive incentives or concessions for increased intensity or expanded nonresidential uses if doing so would reduce the overall cost of development. Projects can also request other zoning or regulatory modifications that reduce development costs, and local governments must grant those incentives, unless they can make specific findings to deny them as narrowly defined in state law. Developers maintain that these incentives and concessions are critical for making affordable housing projects financially feasible.

In practice, DBL plays a critical role in the state's housing strategy, both by reducing development costs and by increasing the overall supply of housing at all income levels, particularly in communities that might otherwise see little affordable housing development. By leveraging regulatory flexibility instead of direct public funding, DBL offers a cost-effective mechanism to stimulate the production of both mixed-income and 100% affordable housing projects throughout California.

All jurisdictions are required to report projects approved pursuant to DBL in their Annual Progress Reports (APRs) submitted to the Department of Housing and Community Development (HCD). While APR data provides the most comprehensive statewide data available, it is well-documented that these reports contain data quality limitations, including inconsistent reporting practices and project classification errors. Analysis of APR data conducted by the bill sponsor and shared with this Committee points to the efficacy of DBL. In the past five years, DBL has been used to entitle over 140,000 mixed-income units, providing, should these entitled units advance to construction, thousands of deed-restricted affordable homes at no cost to the state.

This Bill: This bill proposes numerous amendments to DBL. Specifically, this bill makes the following changes:

- **"Affordable Homes Bonus Program."** Renames DBL as the "Affordable Homes Bonus Program" and makes conforming changes throughout the statute. This bill also requires agenda items for qualifying DBL projects to clearly identify the project either as an "affordable homes bonus project" *or* a "density bonus project." The stated intent of this change is to modernize DBL, and to rebrand it from "density," to "affordable homes" in an attempt to increase local support, or reduce local opposition, for DBL projects.

- **Proactive local notice**. Requires local governments to adopt procedures and timelines for notifying applicants when a housing development is eligible for a density bonus, incentive or concession, or waiver or reduction of development standards. In doing so, this bill seeks to ensure that all housing development projects that meet the affordability thresholds in DBL are automatically eligible for the provisions of the bill without having to proactively ask the local government for those benefits.

- **Affordability category changes**. Revises the income-category definitions so that deeper affordability levels count toward higher-income affordability thresholds; specifically, so that the moderate-income affordability category also includes lower, very low, and extremely low

income households. This change would amend existing law, as clarified through guidance from HCD stating that projects could not use lower affordability units to access the moderate-income density bonus.

- **Non-discretionary approvals for DBL perks**. Specifies that the granting of a density bonus, incentive or concession, and waiver or reduction of development standards is not discretionary, and does not require, or by itself trigger, a general plan amendment, zoning change, other discretionary approval, or CEQA review, thereby limiting local agency discretion and clarifying the approval framework under existing law. In doing so, this bill seeks to provide greater certainty to housing development projects and reduce potential project delays when granting benefits conferred to the proposed development under DBL.

- **FAR-based base density**. Authorizes use of the site's residential FAR to calculate base density where the applicable zoning, specific plan, or general plan uses FAR instead of a strict unit-count density threshold, and includes an increase in FAR within the definition of density bonus when the applicant elects to use the FAR method to calculate the base project. This change may ensure that DBL is still available in the growing number of jurisdictions moving away from unit-based density limits toward FAR and form-based codes, and to ensure the DBL can be effectively applied in those regulatory frameworks.

- **Ministerial pathway for infill housing developments**. Provides that a housing development that meets the provisions necessary to qualify for the infill housing CEQA exemption established by AB 130 (Committee on Budget), Chapter 22, Statutes of 2025, that is otherwise eligible for DBL, shall be a use by-right and subject to a ministerial review process. This provision of the bill would streamline approvals for qualifying infill housing projects that are already exempt from CEQA and subject to the Housing Accountability Act, which limits local discretion over compliant development projects.

- **Additional incentives and concessions.** Increases the number of incentives and concessions available under multiple affordability tiers, including for lower-income, very low income, moderate-income for-sale, student housing, and 100%-lower-income projects, by two; and allows two additional incentives for qualifying for-sale housing development projects that meet the applicable affordability criteria. Increasing incentives and concessions is a policy tool that has historically been used to improve project feasibility by providing additional regulatory relief to offset the costs of including affordable units, thereby helping projects financially pencil out. The extra two incentives for homeownership projects may make building for-sale units more desirable to developers.

- **Geographic application of benefits.** Deletes the existing contiguous-site requirement for DBL bonuses, and authorizes a density bonus, incentive or concession, or waiver or reduction of development standards to be applied either within or outside the project site, thereby allowing benefits to be used off-site. According to the bill sponsors, this amendment seeks to codify part of a court decision in *Friends of Lagoon Valley*,[8] which provided that the benefits under DBL can apply to the parts of a development that did not trigger the bonus eligibility in the first place.

[8] https://law.justia.com/cases/california/court-of-appeal/2007/a113236.html

- **FAR base/bonus interaction**. Allows an applicant to use an incentive/concession or waiver or reduction of development standards to devote the site's entire FAR to residential use, and then calculate base density on the realistic development capacity of that entire residential FAR, which changes how the "base" for bonus calculations may be established in FAR-regulated jurisdictions. The goal of this provision of the bill is to maximize the residential space in a proposed development, and increase the area to which a bonus can be applied.

Taken as a whole, this bill substantially expands and restructures DBL by broadening how affordability categories are counted, increasing the number of incentives and concessions available across multiple affordability tiers, and renaming the law entirely. This bill also modifies how base density is calculated, particularly in jurisdictions that regulate development density primarily through FAR. Furthermore, this bill also authorizes the use of density bonus benefits outside the geographic area of the project site, requires local governments to proactively identify eligible projects, and establishes a ministerial approval pathway for certain qualifying infill housing developments. Collectively, these changes substantially increase the flexibility and scale DBL projects while further limiting local discretion over qualifying developments.

Policy Considerations: The Committee may wish to consider the following policy considerations raised by this bill:

- **"Affordable Homes Bonus Program."** This bill proposes to rename the entirety of DBL as the Affordable Homes Bonus Program, and would require local governments to publicly notice any DBL projects as either a "density bonus" or an "affordable homes bonus" project. The Committee may wish to consider whether a statutory name change is necessary or beneficial, given that DBL has been in place since 1979 and is widely understood and utilized by local governments, developers, and practitioners. Further, DBL has been interpreted and refined through court cases and HCD guidance.

  Local governments currently have the ability to adopt alternative program names in their DBL implementing ordinances to better adapt the law to their local communities. For example, Sacramento County currently calls DBL the Affordable Housing Incentives Program in its local municipal code.[9]

  The Committee may wish to consider whether the proposed renaming would create administrative burdens for state agencies, local governments, and stakeholders required to update existing materials and references, and whether those impacts are justified relative to the intended benefit, particularly in light of other provisions in the bill that expand by-right approvals and reduce local discretion (and potential veto points) over qualifying projects.

- **Proactive local notice.** This bill requires local governments to adopt procedures and timelines to notify applicants when a project is eligible for a density bonus, incentive or concession, or waiver or reduction of development standards. Under existing law, local governments are already required to adopt procedures and timelines for processing density bonus applications, including complying with existing statutory entitlement processing timeframes. Furthermore, upon deeming an application complete, the local government must provide a determination of the density bonus, incentives or concessions, and waivers or

[9] Sacramento County Zoning Code Section 6.5.4. Affordable Homes Incentive Program (https://landuse.saccounty.gov/szc/ch6/)

reductions for which a project is eligible, or any information that the local government may need to make this determination. The Committee may wish to consider whether the intent of the bill could be achieved by integrating this notification requirement into the existing completeness determination framework, rather than creating a potentially duplicative or parallel process.

- **Ministerial pathway for infill housing development.** This bill establishes a use by-right provision and ministerial review pathway for certain infill housing developments that are eligible for DBL. The Committee may wish add clarifying language to ensure that developments that are "eligible for" DBL must meet the law's existing affordability provisions.

- **Additional incentives and concessions.** This bill increases the number of incentives and concessions available to DBL projects across affordability tiers, providing additional incentives for certain projects without requiring deeper or additional affordability. Historically, DBL has tied the number of incentives and concessions to the level of affordability provided, with greater benefits granted in exchange for deeper income targeting or a higher percentage of affordable units. The Committee may wish to consider whether providing additional incentives and concessions without a commensurate increase in affordability is consistent with the underlying framework of the law, and what implications this shift may have for the relationship between public benefit and development incentives.

- **Geographic application of benefits.** This bill deletes the existing contiguous-site requirement and authorizes DBL benefits, including incentives, concessions, and waivers or reductions of development standards, to be applied outside the geographic boundaries of the housing development project.

  The Committee may wish to consider whether allowing off-site application of these benefits is consistent with the underlying structure of DBL, which has historically linked development incentives to the specific project providing the affordable units. Decoupling the location of benefits from the housing development could create implementation and enforcement challenges for local governments, including tracking compliance, ensuring the delivery and long-term affordability of units, and understanding the full scope of project impacts.

  The Committee may wish to consider whether these concerns could be addressed by maintaining a single development application requirement and limiting the use of benefits to sites within the housing development, while still allowing flexibility in how those benefits are distributed across the project. This may bring the statute into alignment with *Friends of Lagoon Valley*,[10] which suggests that while current law explicitly addresses the geographic application of the density bonus itself, other benefits may be applied across the housing development, but not beyond it.

- **FAR base/bonus interaction.** This bill allows an applicant to use an incentive, concession, or waiver to devote a site's entire FAR to residential use, and then calculate base density based on the realistic development capacity of that full residential FAR.

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[10] https://law.justia.com/cases/california/court-of-appeal/2007/a113236.html

The Committee may wish to consider whether this approach is consistent with the existing framework of the DBL, which has historically distinguished between the "base" project and the additional density or development capacity granted through a bonus. This provision appears to depart from prior guidance by HCD regarding what constitutes the base project, and may blur the distinction between base development capacity and bonus capacity. The Committee may wish to consider whether this conflation could create implementation challenges or establish a precedent for further expanding the base upon which density bonuses are calculated in future legislation.

Arguments in Support: The California Home Building Alliance (HBA), which includes Circulate Planning & Policy, the bill sponsor, writes in support: "Recent efforts to enhance Bonus Law have shown results. AB 2345 (Gonzalez, 2020) and AB 1287 (Alvarez, 2023) both made large changes to increase its use. In the past five years, Bonus Law has been used to entitle over 140,000 homes across California at no additional cost to the taxpayer. Still, Bonus Law projects can still face barriers when seeking approvals. Targeted reforms in this legislation address these issues by requiring local governments to affirmatively offer benefits to qualifying projects, affirm that incentives awarded under Bonus Law are not discretionary, and require projects to be approved by right."

Arguments in Opposition: The Equitable Land Use Alliance writes in opposition: "Local jurisdictions understand appropriate residential densities and development standards for specific areas to ensure safety, health, sufficient infrastructure, and quality of life. AB 2433 claims to improve housing affordability, but it further erodes local control and public review through additional forced concessions, density, and by-right approvals, without actually increasing affordability requirements."

Committee Amendments: The Committee may wish to consider the following amendments:

1) Integrating the requirement that a local government notifies an applicant that their development is eligible for a density bonus into the existing framework of DBL application processing.

2) Deleting the provisions of the bill that would rename DBL to the "Affordable Homes Bonus Program" in state law.

3) Deleting the provision that would provide all DBL projects with two additional incentives or concessions, while maintaining the provision that would provide two extra incentives or concessions for developments that create homeownership opportunities.

4) Revising the definition of "housing development" to delete this language from the bill:

   ~~*The density bonus, incentives or concession, and waiver or reductions of development standards shall be permitted within or outside of the geographic areas of the housing development where the affordable or market-rate units are located.*~~

   And replace it with the following language:

   (2) The density bonus, incentives or concessions, and waivers or reductions of development standards shall be on sites that are the subject of one housing development application.

(A) The density bonus shall be permitted anywhere in the geographic areas of the same housing development, including areas outside of the areas where the units for the lower income households are located.

(B) The incentives or concessions, and waivers or reductions of development standards shall be permitted anywhere in the geographic areas of the same housing development, including areas outside of the areas where the housing units are located.

5) Deleting the provisions of the bill that would allow an applicant to request an increase in residential FAR through an incentive or concession, and then count that entire residential area as the base project for purposes of calculating the density bonus.

6) Clarifying that an infill DBL housing development project is only eligible for the use by-right and ministerial review pathway proposed in the bill if it meets the minimum affordability levels and associated requirements already established in DBL.

7) Making other non-substantive technical and clarifying amendments.

Related Legislation:

AB 1287 (Alvarez), Chapter 755, Statutes of 2023. Expanded DBL by increasing maximum bonus levels, adding additional incentives/concessions, and broadening eligibility, particularly for moderate-income and mixed-income projects.

AB 2345 (Gonzalez), Chapter 197, Statutes of 2020. Increased the maximum density bonus and expanded access to incentives and concessions under DBL, lowering affordability thresholds to increase financial feasibility.

Triple-Referred: This bill was also referred to the Committees on Local Government and Natural Resources, where it shall be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Circulate Planning & Policy (Co-Sponsor)
San Francisco Bay Area Planning and Urban Research Association (SPUR) (Co-Sponsor)
Bay Area Council
CBIA
Fieldstead and Company, INC.
Habitat for Humanity California
Housing Action Coalition
Inner City Law Center
RideSD
San Diego Housing Commission
San Diego Regional Chamber of Commerce
South Pasadena Residents for Responsible Growth
Student Homes Coalition
The Two Hundred for Homeownership
YIMBY Democrats of San Diego County

Opposition

Equitable Land Use Alliance

Oppose Unless Amended

Neighbors for a Better California
Wake Up California

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