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MEMO

To: City of Cupertino
Legislative Review Committee

From: Townsend Public Affairs, Inc.

Date: May 14, 2021

Subject: Consider adopting a position on Senate Bill 478 (Wiener) Planning and Zoning Law: housing development projects

Bill Information

The official text of SB 478 can be found [here](#)¹.

Summary

SB 478 prohibits a local government from imposing specified floor area ratios (FARs) on housing development projects between three and 10 units.

Specifically, SB 478 prohibits a local government from doing the following:

- Imposing a FAR standard that is less than 1.0 for a housing development project consisting of three to seven units.
- Imposing a FAR standard that is less than 1.25 for a housing development project consisting of eight to ten units.
- Denying a housing development project located on an existing legal parcel solely on the basis that the lot area of the proposed lot does not meet the local agency's requirements for minimum lot size.

To be eligible for the minimum FAR standards contained in this bill, the housing development project shall meet all of the following conditions:

- Contain at least three, but no more than 10 units.
- Be located in a multifamily residential zone or a mixed-use zone, and is not located in either of the following:
 - Within a single-family zone.
 - Within a historic district or property included in the State Historic Resources Inventory or within a site that is designated or listed as a city or county landmark or historic property or district.
 - Be located on a legal parcel in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, or, for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urbanized cluster.

¹ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB478

SB 478 provides that this bill shall not be construed to prohibit a local agency from imposing any zoning or design standards, other than zoning or design standards that conflict with the above FAR standards.

SB 478 also prohibits a local government from imposing a lot coverage requirement that would preclude a housing development, that meets all other requirements, from achieving the described FAR ratios.

Status

SB 478 was approved by the Senate Housing Committee (7-1) on April 29th. The measure is currently in the Senate Appropriations Committee.

Support

According to the author, “SB 478 ensures that local and state housing laws are not undermined by hyper-restrictive zoning requirements that make it practically impossible to build multi-family buildings in areas zoned to allow them. Specifically, SB 478 sets minimum standards on floor area ratios (FAR) for land *already zoned* for 3-10 buildings, commonly known as missing middle housing. Excessively low FAR and lot coverage requirements, coupled with large minimum lot sizes, are tools that numerous cities use to undermine their own zoned density — in other words, a city can zone for multi-family, but extreme FAR or lot size requirements make it effectively impossible, both financially and design-wise, to actually build. In fact, with these abusive requirements on the books, multi-family buildings are so infeasible, the end result is the development of a large single family home instead. As a result, cities are able to use this loophole to prohibit multi-family housing otherwise authorized by local or state zoning law, and only build single family homes. SB 478 will be an effective tool to combat our housing shortage by ensuring there is truth in zoning, by allowing the development of 3-10 unit buildings in places already approved for them.”

Supporters of SB 478 include: Bay Area Council; California Apartment Assn; California Building Industry Assn; California YIMBY; East Bay for Everyone; Greenlining Institute; Habitat for Humanity; San Francisco Bay Area Planning and Research Assn; Streets for People Bay Area; Turner Center for Housing Innovation; and YIMBY Action.

Opposition

Opponents of SB 478 cite the bill for overriding local zoning decisions which have been made by locally elected officials and are based on the needs, and the input of the community. SB 478 will apply FAR standards for housing units containing between three and ten units anywhere in the state, regardless of the local conditions that are applicable to any given parcel. Additionally, SB 478 may create an incentive for developers to demolish older multi-family housing and replace it with ultra-dense, market-rate housing, thereby displacing existing residents and exacerbating the affordable housing shortage that is facing many communities in California.

Opponents of SB 478 include: California Cities for Local Control; California State Council of Laborers; California Teamsters Public Affairs Council; City of Pleasanton; City of Torrance; Livable California; State Building and Construction Trades Council of California; and numerous other trade associations.

Recommended Action

Adopt an oppose position on SB 478 and authorize the Mayor to send letters to the state legislature.