

Senate Bill 50 Update

City of Milpitas
City Council



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Overview

- **Senate Bill 50**

- Originally introduced December 3, 2018
- Failed to pass out of Appropriations in June 2019
- Back with amendments – must be acted upon by end of January 2020 in order to stay alive
- Can be subject to future amendments through this legislative session



Current Amendments

- **Current Amendments:**
 - Bill is largely unchanged
 - Two main concepts remain:
 1. Fourplexes by right
 2. Loss of local zoning control – transit right or jobs rich projects
 - **Except:**
 - Addition of “local flexibility plan” concept
 - Only applies to second concept above



SB 50 – Two Main Components

- **Fourplex Concept**

- Would allow duplexes to fourplexes by right
- On all residentially zoned parcels
- Subject to certain exceptions

- **Loss of Local Zoning for Job Rich Project or Transit Rich Project**

- Would take away local zoning for job rich or transit rich projects
- Subject to certain exceptions
- But would not apply when City has adopted “local flexibility plan”



Fourplex Provisions

Proposed Government Code Section 65913.5.

- Applies to any project that includes **2 or more residential units up to 4.**
- In order to qualify, **project must be on parcel that is:**
 - Not in the coastal zone
 - Zoned for residential use
 - In urbanized area or surrounding urban uses
 - **Milpitas: Urbanized area**
 - No affordable units on site or historic structures
 - Not sensitive land defined as not in or on:
 - Flood zone
 - Prime farmland
 - Earthquake fault zone
 - Wetlands
 - High fire severity zone
 - Hazardous waste site, etc.



Fourplex Provisions

Proposed Government Code Section 65913.5.

- **Project must be on:**
 - Vacant land; or
 - Not require substantial exterior modification to the existing structure. Defined as:
 - (i) The demolition of 25 percent or more of the existing exterior vertical walls, measured by linear feet; or
 - (ii) Any building addition that would increase total interior square footage by more than 15 percent.
- **Project must still meet all objective zoning standards**
 - EXCEPT with regard to density – i.e. single family residential zoning is out



Transit Rich/Jobs Rich Projects Overview

- Provisions apply beginning January 1, 2023
- Requires City to grant an equitable community incentive for any transit rich or job rich project
 - Subject to various exceptions based on the characteristics of the parcel, and other requirements of the project itself
- The City would **not** have to comply if it adopts a “local flexibility plan.”
- Equitable community incentive is essentially loss of local zoning



Transit Rich/Job Rich Project *Defined*

- **Transit Rich Housing Project:**
 - means a residential development, the parcels of which are all within a one-half mile radius of a **major transit stop** or a one-quarter mile radius of a stop on a **high-quality bus corridor**.
 - **Milpitas: Yes, but varies by location**
 - A project shall be deemed to be within the radius if both of the following apply:
 - (1) All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
 - (2) No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.



Transit Rich/Job Rich Project *Defined*

- **Job Rich Housing Project:**
 - means a residential development within a **jobs-rich area**.
 - **Milpitas: Yes.**
 - A residential development shall be deemed to be within a jobs-rich area if both of the following apply:
 - (1) All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
 - (2) No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.
- HCD to set maps for job-rich areas



Transit Rich/Job Rich Project *Equitable Community Incentive*

- **Equitable Community Incentive**
 - Different per population in County – over versus under 600k. Santa Clara County is over 600k.
 - If transit rich or jobs rich project qualifies, it is eligible for:
 - a waiver from maximum controls on density; and
 - a waiver from minimum automobile parking requirements greater than 0.5 automobile parking spots per unit.
 - Depending on proximity to **major transit stop**:
 - May need to waive height, FAR, and parking requirements



Transit Rich/Job Rich Project

Local Flexibility Plan

- **Local Flexibility Plan**

- Rules to be developed by HCD before July 1, 2021
- Plans can be submitted on or after **July 1, 2021**
- **HCD** approves all plans. The plan should:
 1. Affirmatively further fair housing to an extent as great or greater than if the local government were to grant equitable communities incentives
 2. Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives
 3. Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees



Recommendation/Question(s)?

Receive update on SB 50 and direct staff regarding position letter or other legislative efforts.

