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Issue #18

Senator Roth's SB 540 Creates Blueprint for More Housing Construction
League-Sponsored Bill Scheduled for First Committee Hearing on March 21

Local elected leaders are acutely aware of the severity of California's housing affordability crisis and their role in fashioning solutions. While numerous factors are contributing to the problem, there is an agreement that more needs to be done to create a path for and streamline new housing construction. Local governments do not build homes. Cities are responsible for planning and land use decisions that allow housing to be built. The League of California Cities® is sponsoring Sen. Richard Roth's (D-Riverside) [SB 540](#) to create a robust system for planning and streamlining housing approvals and construction that ensures public engagement on the upfront planning process. *For more, see Page 2.*



Registration Now Open for the League's Legislative Action Day
April 19 in Sacramento

It is the time of year when dozens of city officials make plans to descend upon Sacramento and the Capitol on Wednesday, April 19 for a full day of learning about priority issues, engaging with state lawmakers, and networking with colleagues from throughout the state. [Online registration](#) for this important event is free* and open until April 14. *For more, see Page 2.*

SB 540 Creates a Blueprint for More Housing Construction

SB 540 provides an enhanced up-front planning process for local governments that reduces delays and uncertainty when proposed projects are consistent with those plans. Ensuring local planning requirements and environmental mitigation measures are identified early would streamline the approval process to facilitate more housing construction.

In brief under SB 540:

- Cities and counties could identify priority housing areas within a community where enhanced planning, necessary environmental reviews and public engagement would occur at the front end.
- By focusing on workforce and affordable housing in areas close to jobs and transit, the additional streamlined process would encourage developers to propose projects that address affordable housing needs and climate protection goals.
- In order to be eligible:
 - 30 percent of units must be sold or rented to moderate income households;
 - 15 percent must be sold or rented to lower income households;
 - 5 percent must be sold or rented to very low income households; and
 - Funding to support the up-front planning would come from a revolving state loan fund available to local governments. Loans would be repaid when development occurs.

SB 540 Streamlines Housing Approvals while Protecting Public Engagement

Public engagement in the planning process is important and SB 540 helps streamline housing project approvals without compromising local control or the rights of citizens to participate in local land-use decisions. The proposal retains vital opportunities for public engagement and transparency, through the up-front plan development and environmental review.

Housing developments within these planned areas can proceed in an expedited manner. Because the local government has fully conducted the necessary environmental reviews, no project-specific additional environmental reviews would be needed. The environmental review and project streamlining stands for five years to provide the development community with needed certainty.

Under this proposal, a local government has the authority to approve or disapprove the housing development within 90 days of a completed application. Local governments cannot deny a development that satisfies the criteria of the plan. This approach could drastically streamline housing approvals and create a blueprint for more housing construction.

Next Steps

SB 540 has been triple referred to the Senate Committee on Transportation and Housing, Senate Committee on Governance and Finance, and the Senate Environmental Quality Committee. It will have its first hearing on Tuesday, March 21 in the Senate Committee on Transportation and Housing.

The League issued an action alert on March 13 and has posted a sample letter to the League's online [Action Center](#) that cities can use to tailor with how SB 540 will affect their community.

The League's support letter can be found at www.cacities.org/billsearch by plugging in SB 540 into the search function.

The League's [Housing Hot Issues webpage](#) features information about SB 540 and other housing-related legislation moving this session.

This event is a special opportunity to gather, network, and talk with your legislators.

Registration includes:

- Admission to educational sessions at the Sacramento Convention Center;
- Admission to the legislative reception; and
- Access to all program materials.

Events are free to League member cities and League Partners. Non-member cities will be charged \$250 per attendee.

[Contact your Regional Manager](#) to set up a meeting with your legislator.

For more information including [schedule](#) and [registration](#), please visit the [Legislative Action Day](#) event webpage. Please direct questions to [Megan Dunn](#), the League's registrar.
