Assembly Bill 1561 provides support for housing development projects

By Sheri Bonstelle

Assemble members Cristina Garcia and Tim Grayson’s Assembly Bill 1561 supports housing development projects for all income levels by adding Government Code Section 65914.5 to extend housing entitlements by 18 months during the COVID-19 pandemic, and by modifying Government Code Section 65583 to authorize a more expansive analysis of housing constraints in a city’s adopted Housing Element. The bill addresses a matter of statewide concern, and therefore applies to all cities, including charter cities.

On March 4, Gov. Gavin Newsom proclaimed a state of emergency due to the COVID-19 pandemic. In July, 3.1 million Californians filed for unemployment benefits, and over 90% of California cities reported considering cutting or furloughing city staff or decreasing public services. Even before this pandemic-induced recession, California was in the midst of a housing affordability crisis caused primarily by a failure to supply enough new housing for all income levels.

In order to relieve pressure on housing development caused by the recession’s impact on planning, finance and construction industries, AB 1561 extends by 18 months the period for the expiration, effectuation, or utilization of a housing entitlement that was in effect on March 4, and that will expire before Dec. 31, 2021. A housing entitlement for a housing development project includes a tentative or parcel map, a residential development, or a mixed-use development where at least two thirds of the square footage is designated for residential use.

If a state or local agency previously extended housing entitlements for not less than 18 months, AB 1561 will not further extend the term of entitlement. The law also extends the time for a California Native American tribe to consult on a project by an additional 30 days for any housing development project application deemed to be complete between March 4 and Dec. 31, 2021.

A city’s Housing Element, a part of its General Plan, consists of identifying and analyzing existing and projected housing needs, and goals, policies, resources and programs for the preservation and development of housing. This includes an analysis of governmental constraints on housing development for all income levels. AB 1561 additionally authorizes a constraints analysis in the Housing Element based on characteristics identified in the Unruh Civil Rights Act, Civil Code 51(b), including “sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status.” Therefore, a city or county would need to consider the impact that government regulation has on limiting housing production for a greater specificity within the population. This provision would be implemented on or after Jan. 1, 2024, if approved and funded by the Legislature in the budget.

AB 1561 will support housing development by allowing additional time for those with approved housing development projects to obtain financing and building permits and to commence construction during the pandemic, and will allow potential additional analysis in a city’s Housing Element to more specifically identify the housing needs of the community.

Sheri Bonstelle is a partner in the Government, Land Use, Environment & Energy Group at Jeffer Mangels Butler & Mitchell LLP in Los Angeles.