City of Loma Linda Official Report

Karen Gaio Hansberger, Mayor
Floyd Petersen, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: May 25, 2004

TO: City Council

VIA: Dennis R. Halloway, City Manager

FROM: Deborah Woldruff, AICP, Community Development Director

SUBJECT: OPPOSE ASSEMBLY BILL (AB) NO. 2702 (SECOND UNITS REVISITED/HOUSING ON SCHOOL SITES) – PROPOSED LEGISLATION THAT FURTHER ERODES THE LAND USE CONTROLS THAT LOCAL JURISDICTIONS HAVE OVER THE ESTABLISHMENT OF SECOND UNITS AND OTHER ISSUES RELATED HOUSING

RECOMMENDATION

The recommendation is for the City Council to pro-actively support the League of California Cities position to oppose AB 2702 through a minute action, approve the draft letter to Assemblyman Robert Dutton that expresses the City's concern and opposition to the Bill, and/or contact other State Legislators with letters and telephone calls.

BACKGROUND

On Monday, May 17, 2004, the City Manager received an email request from the League of California Cities to actively support their position to oppose AB 2702. The Bill cleared the Local Government Committee on April 14, 2004, the Housing and Community Development Committee on April 21, 2004, and the Appropriations Committee on May 12, 2004. The email anticipated that the proposed legislation would reach the Assembly Floor either on May 18th or May 20th.

ANALYSIS

Staff is opposed to AB 2702 for the following reasons:

- The Bill prohibits local governments from requiring owner-occupancy of properties on which second units (commonly referred to as "granny flats") are proposed for construction.

  If owner-occupancy is not required of either the primary dwelling unit or the second unit, many properties having second units become rental properties with absentee-landlords.

Essentially, the legislation would allow duplexes to be permitted in single-family residential neighborhoods.

- The Bill erodes local ability to ensure that sufficient on-site parking is provided for second units. It also prohibits local jurisdictions from requiring covered parking for second units.

  A significant issue for many Loma Linda neighborhoods is overcrowded parking conditions. The ability to require adequate on-site parking helps to ensure that street parking is available for the convenience of the driving public and that driveways and public sidewalks are not blocked with parked vehicles. It also helps to improve the appearance residential property frontages by reducing the clutter of vehicles parked along neighborhood streets.

  Covered parking for second units (and apartments) is an amenity that is important for upgrading and maintaining neighborhood standards.

- The Bill gives applicants the discretion to determine adequate lot size, unit size, and placement of second units regardless of local zoning requirements relating to lot coverage, building setbacks, building separations, etc.

  This is a "one-size fits all" approach that does not consider the physical or regulatory constraints of a property or area (i.e., topography, narrow streets, CC&Rs, flood conditions, substandard lots). A result of the legislation might be the establishment of a second unit that is twice the size of the existing, primary dwelling unit on a substandard lot, placed within a setback area, and with no provisions for on-site parking.

- The Bill includes language that would allow single-family or multi-family housing to be constructed on properties owned by school districts as long as there are security features such as separate entrances to segregate the educational and residential uses.

  The California School Boards Association representatives have stated that this is not a provision that they requested and that it would pose all kinds of liability and security concerns for schools and parents.

The League of California Cities points out that the timing of this proposed legislation is very poor. Less than nine months have passed since the effective date of AB 1866 (Wright), which removed opportunities for discretionary reviews of applications by local planning commissions, and mandated that all second unit applications be ministerial. At this point, local governments are still trying to determine the effects of AB 1866 on single-family residential neighborhoods and affordable housing stock. Given that the new law is barely in effect, it makes little policy sense to mandate additional changes until the effects the previous legislation are known.

ENVIRONMENTAL

The adoption of adoption of a minute action and approval of the draft letter to Assemblyman Robert Dutton is not defined as a project by the California Environmental Quality Act (CEQA) and therefore, is not subject to CEQA requirements.

FINANCIAL IMPACT

The financial impacts of this bill cannot be fully calculated at this time; however, approval of the Bill potentially could result in the expenditure of staff time and resources to amend the Zoning Ordinance to reflect the legislative changes and study the effects on neighborhoods.

ATTACHMENTS

1. Draft Letter of Opposition to Assemblyman Robert Dutton
2. AB 2702 (Steinberg) – Current version as amended

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ATTACHMENT 1

DRAFT LETTER OF OPPOSITION TO ASSEMBLYMAN ROBERT DUTTON

May 26, 2004

Assemblyman Robert Dutton
63rd State Assembly District
State Capitol, Room 347
Sacramento, CA 95814

RE: AB 2702 (Steinberg) Housing, Second Units.
Notice of Opposition

Dear Assemblyman Dutton:

We regret to inform you that the City of Loma Linda **OPPOSES** your AB 2702. Local governments are still adjusting to the many mandates imposed by last year's AB 1866 (Wright), which prohibited public hearings on second unit applications, and created many unresolved legal issues with its provisions that authorized a developer of a density bonus project to demand that the local government waive *"any ordinance, general plan element, specific plan, charter amendment, or other local law, policy or regulation"* or face lawsuits.

AB 2702 still attempts to dictate the specific requirements of local zoning ordinances applicable to every neighborhood in the state. This one-size-fits-all approach to second unit development transfers significant local land use authority to Sacramento. Policies in this bill such as those limiting local ability to prohibit absentee-landlord duplexes to be created in single-family neighborhoods, reducing parking standards, dictating irrational minimum lot and unit sizes regardless of lot dimensions have already provoked a reaction from residents. Over 60 cities have expressed their opposition to AB 2702 thus far. Furthermore, the mandated densities for housing on school sites provision in this bill not only usurps local zoning authority, it represents irresponsible planning, with no appreciation or understanding of location, traffic, site conditions, or other local issues.

The 2nd units issue has become a bit tiresome for the City of Loma Linda, and indeed for cities throughout California. The Legislature has neither investigated the effects of AB 1866, nor the topic of second units in any deliberative way. Less than nine months have passed since the effective date of AB 1866 (Wright), of 2001, which required all second unit applications to be ministerial. The City of Loma Linda questions the wisdom of reopening this debate without providing sufficient time to evaluate the impacts of last year's AB 1866, particularly since AB 2702 simply proposes yet another rewrite of local ordinances and imposes a one-size-fits-all approach on every community in the state. Moreover, it seems nonsensical to advance a bill of this nature at a time when budget proposals continue to include plans to shift local revenues to the state level to cover deficits.

The City of Loma Linda strongly urges you to carefully consider the experiences local governments have had with implementation of AB 1866 (Wright) before proceeding with AB 2702. From a city standpoint, this measure effectively zones residential land at the state level. The unfortunate consequence is that this one-size-fits-all approach is likely to increase community opposition to second units in the form of legal challenges and local referenda, rather than encourage their development.

Sincerely,

Karen Gaio Hansberger
Mayor of Loma Linda

cc: Assemblyman Alan Lowenthal, Chair
Assembly Housing and Community Development Committee
Assemblyman Simon Salinas, Chair
Assembly Local Government Committee
Senator James Brulte, 31st State Senate District
Dan Carrigg, Legislative Representative
League of California Cities

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ATTACHMENT 2

AB 2702 (STEINBERG)
Current Version As Amended

AMENDED IN ASSEMBLY MAY 6, 2004

AMENDED IN ASSEMBLY APRIL 28, 2004

AMENDED IN ASSEMBLY APRIL 19, 2004

AMENDED IN ASSEMBLY MARCH 26, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL No. 2702

Introduced by Assembly Member Steinberg

February 20, 2004

An act to amend Section 65583 of, to add Sections 65852.8 and 65917.1 to, and to repeal Section 65852.2 of, the Government Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2702, as amended, Steinberg. Housing: second units.

(1) The Planning and Zoning Law requires the housing element of the general plan of a city or county to include, among other things, a program with a 5-year schedule of actions that the local government is undertaking or intends to undertake to implement the goals and objectives of the housing element. The program is also required to provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right.

This bill would revise the definition of the phrase "use by right" as specified and state that the changes are declaratory of existing law.

(2) The Planning and Zoning Law authorizes a local agency to provide by ordinance for the creation of 2nd units on parcels zoned for a primary single-family and multifamily residence. When the local

agency has not adopted an ordinance, it is required to grant a variance or special use permit for the creation of a 2nd unit that complies with statutory requirements but may require the applicant to be an owner-occupant. Existing law specifies the floor area of a permitted 2nd unit and parking requirements.

This bill would revise the above requirements , as specified, and would provide that local agency ordinances, regulations, or policies may not preclude or effectively preclude 2nd units unless the local agency makes findings based on substantial evidence, as specified.

The bill would prohibit a local agency from adopting an ordinance that requires an applicant or occupant of a 2nd unit or principal dwelling unit to be an owner-occupant or his or her dependent or a caregiver for the owner or dependent or that restricts the rent or income of occupants of 2nd units or that limits occupancy based on familial status, age, or other specified characteristics. The bill would prohibit a local agency from imposing a deed restriction requirement or other specified restriction relating to occupancy, tenure, or other characteristics, as specified. The bill would also, among other things, prohibit a local agency from establishing minimum unit size requirements for attached and detached 2nd units below 550 livable square feet unless requested by the owner and would revise the parking requirements for 2nd units.

The bill would authorize a local agency to charge a permit applicant a reasonable fee to cover the costs that it incurs as a result of the enactment of these provisions.

(3) The Planning and Zoning Law also requires, when a developer of housing proposes a housing development within the jurisdiction of the local government, that the city, county, or city and county provide the developer with incentives or concessions for the production of lower income housing units within the development if the developer meets certain requirements.

The bill would provide, with respect to those incentives, that multifamily and single-family residential use is a permitted use on any parcel zoned and developed for primary or secondary education and residential uses. By increasing the duties of local public officials, the bill would impose a state-mandated local program.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed $1,000,000 statewide

and other procedures for claims whose statewide costs exceed $1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 65583 of the Government Code is
2 amended to read:
3 65583. The housing element shall consist of an identification
4 and analysis of existing and projected housing needs and a
5 statement of goals, policies, quantified objectives, financial
6 resources, and scheduled programs for the preservation,
7 improvement, and development of housing. The housing element
8 shall identify adequate sites for housing, including rental housing,
9 factory-built housing, and mobilehomes, and shall make adequate
10 provision for the existing and projected needs of all economic
11 segments of the community. The element shall contain all of the
12 following:
13 (a) An assessment of housing needs and an inventory of
14 resources and constraints relevant to the meeting of these needs.
15 The assessment and inventory shall include all of the following:
16 (1) An analysis of population and employment trends and
17 documentation of projections and a quantification of the locality's
18 existing and projected housing needs for all income levels. These
19 existing and projected needs shall include the locality's share of the
20 regional housing need in accordance with Section 65584.
21 (2) An analysis and documentation of household
22 characteristics, including level of payment compared to ability to
23 pay, housing characteristics, including overcrowding, and housing
24 stock condition.
25 (3) An inventory of land suitable for residential development,
26 including vacant sites and sites having potential for
27 redevelopment, and an analysis of the relationship of zoning and
28 public facilities and services to these sites.

(4) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities as identified in the analysis pursuant to paragraph (6), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities identified pursuant to paragraph (6).

(5) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.

(6) An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.

(7) An analysis of opportunities for energy conservation with respect to residential development.

(8) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916.

(A) The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly and nonelderly units that could be

lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis.

(B) The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project-by-project cost estimate.

(C) The analysis shall identify public and private nonprofit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments.

(D) The analysis shall identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for lower income households, the assisted housing developments, identified in this paragraph, including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority operating within the community. In considering the use of these financing and subsidy programs, the analysis shall identify the amounts of funds under each available program which have not been legally obligated for other purposes and which could be available for use in preserving assisted housing developments.

(b) (1) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements outlined in Article 5 (commencing with Section 65300). Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category that can be constructed, rehabilitated, and conserved over a five-year time period.

(c) A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available and the utilization of moneys in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area pursuant to the Community Redevelopment Law (Division 24 (commencing with Section 33000) of the Health and Safety Code). In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

(1) (A) Identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities, including sewage collection and treatment, domestic water supply, and septic tanks and wells, needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, emergency shelters, and transitional housing in order to meet the community's housing goals as identified in subdivision (b).

(i) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits approval of owner-occupied and rental *multifamily* units to obtain a residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low and low-income households.

(ii) Where the inventory of sites pursuant to paragraph (3) of subdivision (a) does not identify adequate sites to accommodate the need for farmworker housing, the program shall provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the

feasibility of the development of farmworker housing for low- and very low income households.

(B) For purposes of this subdivision, the phrase "use by right" shall mean that the use does not require a conditional use permit or a planned unit development permit, except when the proposed project is a mixed-use project involving both commercial or industrial uses and residential uses. Use by right for all rental housing shall be provided in accordance with subdivision (f) of Section 65589.5. The amendments to this subparagraph made by the act adding this sentence are declaratory of existing law.

(C) The requirements of this subdivision regarding identification of sites for farmworker housing shall apply commencing with the next revision of housing elements required by Section 65588 following the enactment of this subparagraph.

(2) Assist in the development of adequate housing to meet the needs of low- and moderate-income households.

(3) Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, or provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

(4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

(5) Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

(6) (A) Preserve for lower income households the assisted housing developments identified pursuant to paragraph (8) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (8) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance.

(B) The program shall include an identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals. The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.

(d) The analysis and program for preserving assisted housing developments required by the amendments to this section enacted by the Statutes of 1989 shall be adopted as an amendment to the housing element by July 1, 1992.

(e) Failure of the department to review and report its findings pursuant to Section 65585 to the local government between July 1, 1992, and the next periodic review and revision required by Section 65588, concerning the housing element amendment required by the amendments to this section by the Statutes of 1989, shall not be used as a basis for allocation or denial of any housing assistance administered pursuant to Part 2 (commencing with Section 50400) of Division 31 of the Health and Safety Code.

SEC. 2. Section 65852.2 of the Government Code is repealed.

SEC. 3. Section 65852.8 is added to the Government Code, to read:

65852.8. (a) (1) Except as provided in subdivisions (c), (d), (e), (f), (g), and (k), a local agency may, by ordinance, provide for the creation of second units in single-family and multifamily residential zones. The ordinance may do any of the following:

(A) Designate areas within the jurisdiction of the local agency where second units may be permitted. The designation of areas may be based on criteria, that may include, but are not limited to, the adequacy of water and sewer services and the impact of second units on traffic flow.

(B) Impose reasonable standards on second units that include, but are not limited to, parking, height, setback, lot coverage, architectural review, maximum size of a unit, and standards that prevent adverse impacts on any real property that is listed in the California Register of Historic Places.

(C) Provide that second units do not exceed the allowable density for the lot upon which the second unit is located, and that

second units are a residential use that is consistent with the existing general plan and zoning designation for the lot.

(2) The ordinance shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(3) When a local agency receives its first application on or after July 1, 2003, for a permit pursuant to this subdivision, the application shall be approved or disapproved ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits. Nothing in this paragraph may be construed to require a local government to adopt or amend an ordinance for the creation of second units. A local agency may charge a fee to reimburse it for costs that it incurs pursuant to this paragraph, including the costs of adopting or amending any ordinance that provides for the creation of second units.

(b) (1) When a local agency that has not adopted an ordinance governing second units in accordance with subdivision (a) or (c) receives its first application for a permit pursuant to this subdivision, the local agency shall accept the application and approve or disapprove the application ministerially without discretionary review pursuant to this subdivision, unless it adopts an ordinance in accordance with subdivision (a) or (c) within 120 days after receiving the application. Notwithstanding Section 65901 or 65906, a local agency may not require a variance or discretionary permit for the creation of a second unit and shall approve an application for a second unit that complies with all of the following:

(A) The unit is not intended for sale and may be rented.

(B) The lot is zoned for single-family or multifamily use.

(C) The lot contains an existing single-family dwelling.

(D) The second unit is either attached to the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.

(E) Requirements relating to height, setback, lot coverage, architectural review, site plan review, fees, charges, and other zoning requirements generally applicable to the primary dwelling in which the property is located.

(F) Local building code requirements which apply to detached dwellings, as appropriate.

(G) Approval by the local health officer where a private sewage disposal system is being used, if required.

(H) The increased floor area of an attached second unit is not less than 550 square feet, unless requested by the owner.

(I) The total floor area of a detached second unit is not less than 550 square feet, unless requested by the owner.

(2) No other local ordinance, policy, or regulation shall be the basis for the denial of a building permit or a use permit under this subdivision.

(3) This subdivision establishes the maximum standards that local agencies shall use to evaluate proposed second units on lots zoned for residential use that contain an existing single-family dwelling.

No additional standards, other than those provided in this subdivision or subdivision (a), shall be utilized or imposed.

(4) No changes in zoning ordinances or other ordinances or any changes in the general plan shall be required to implement this subdivision. Any local agency may amend its zoning ordinance or general plan to incorporate the policies, procedures, or other provisions applicable to the creation of second units if these provisions are consistent with the limitations of this subdivision.

(5) A second unit that conforms to the requirements of this subdivision shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot. The second units shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(c) Local agency ordinances, regulations, or policies may not preclude or effectively preclude second units within all residentially zoned areas unless the local agency finds, based on substantial evidence, that the ordinance may limit housing opportunities of the region and finding that specific adverse impacts upon the public health, safety, and welfare would result from allowing second units within single-family and multifamily zoned areas justify adopting the ordinance.

(1) Local governments shall apply appropriate standards as defined in Section 65913.1, and those standards shall be written, objective, and adopted by the local government.

(2) Local agencies may not require any of the following:

(A) An owner's dependent or caregiver to occupy the primary dwelling or second unit. A local agency may require an applicant for a permit issued pursuant to this subdivision to be an owner-occupant of either the primary or second unit. A local agency may not impose a deed restriction requirement or other limitation that (i) restricts the sale of the property to owner-occupants, or (ii) restricts the occupancy of the primary or second unit by tenure or any characteristic enumerated in Section 65008, if the applicant determines that he or she will not occupy the primary or second unit.

(B) The occupancy of either unit to be restricted by familial status, age, or any other characteristic enumerated in Section 65008.

(3) Nothing in this section shall prohibit a city, county, or city and county from regulating or prohibiting transient use of second units in which rent is charged and collected on a daily basis.

(d) A local agency may not establish minimum unit size requirements for attached and detached second units below 550 livable square feet unless requested by the owner.

(e) A local agency may not establish minimum lot size requirements for detached second units above twice the square footage of the primary unit, unless requested by the owner.

(f) Parking requirements for second units shall not exceed one parking space per unit or per bedroom. Covered parking may not be required. *Local agencies may impose reasonable standards to limit on-street parking.* Off-street parking shall be permitted in setback areas in locations determined by the local agency or through tandem parking, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional, topographical or fire and life safety conditions, or that it is not permitted anywhere else in the jurisdiction.

(g) Fees charged for the construction of second units shall be determined in accordance with Chapter 5 (commencing with Section 66000).

(h) Except as provided in subdivision (b), this section does not limit the authority of local agencies to adopt less restrictive requirements for the creation of second units.

(i) Local agencies shall submit a copy of the ordinance or ordinances adopted pursuant to subdivision (a) to the Department

of Housing and Community Development within 60 days after adoption.

(j) As used in this section, the following terms apply:

(1) "Local agency" means a city, county, or city and county, whether general law or chartered.

(2) "Second unit" means an attached or a detached residential dwelling unit which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated. A second unit also includes any of the following:

(A) An efficiency unit, as defined in Section 17958.1 of Health and Safety Code.

(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(k) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for second units.

(l) A local agency may charge a reasonable fee to an applicant for a permit pursuant to this section to reimburse the agency for costs that it incurs as a result of the enactment of this section, including the costs of adopting or amending any ordinance that provides for the creation of second units.

SEC. 4. Section 65917.1 is added to the Government Code, to read:

65917.1. When a school district agrees to allow multifamily or a single-family residential use on the school district's property *and agrees to adequate security features such as separate entrances that segregate the two uses*, the residential density permitted on the parcel is the highest multifamily residential density permitted on any parcel within 300 feet plus any density bonus mandated by Section 65915. If there is no multifamily residential use permitted within 300 feet, the permitted residential density on the parcel being developed for primary or secondary education and residential uses is the highest multifamily residential density allowable in the community plan area.

1 SEC. 5. Notwithstanding Section 17610 of the Government
2 Code, if the Commission on State Mandates determines that this
3 act contains costs mandated by the state, reimbursement to local
4 agencies and school districts for those costs shall be made pursuant
5 to Part 7 (commencing with Section 17500) of Division 4 of Title
6 2 of the Government Code. If the statewide cost of the claim for
7 reimbursement does not exceed one million dollars ($1,000,000),
8 reimbursement shall be made from the State Mandates Claims
9 Fund.

O