The Housing and Accountability Act, which became law in 1982, is designed to promote the production of new housing developments by restricting a local government’s ability to deny projects that meet project approval criteria. California Senate Bill 167 strengthens the Housing and Accountability Act by increasing the evidentiary standards for project denial from substantial to preponderance of evidence. Additionally, it allows courts to leverage fines for noncompliance, requires local entities in staff reports to analyze how the Act applies to projects, and ultimately assists developers in avoiding unnecessary changes and size reductions.

**SB 167 Procedure and Penalties**

1. Local jurisdiction must provide the applicant with written documentation identifying the provision(s) and an explanation of the reason(s) it considers the housing development to be inconsistent, not in compliance, or not in conformity within specified time periods.

2. If the local agency fails to provide this documentation, the housing development project would be deemed consistent, compliant, and in conformity with the applicable plan, program, policy, ordinance, standard, requirement, or other similar provision.

3. If the court finds that the local agency acted in bad faith when it disapproved or conditionally approved the housing development project or emergency shelter in violation of the act, the court must issue an order or judgment directing the local agency to approve the housing development project or emergency shelter.

4. If the local agency has failed to comply with the order for compliance within 60 days, the court must impose fines in every instance in which the court determines that the local agency disapproved, or conditioned approval in a manner that renders infeasible.

5. The fine must be in a minimum amount of $10,000 per housing unit in the housing development project on the date the application was deemed complete.

6. The fine will be deposited into a state fund, and any local housing trust funds not expended after 5 years would be deposited into the state fund, to be used upon appropriation by the Legislature for financing newly constructed housing units affordable to extremely low, very low, or low-income households.

7. If the local agency has acted in bad faith and failed to carry out the court’s order, the court must multiply the fine by a factor of five.

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