



New Housing Laws:

On September 20, 2021, Governor Newsom signed three new housing laws that the City actively opposed: Senate Bill 8, Senate Bill 9, and Senate Bill 10.

SB-8

Senate Bill 8 extends the sunset date of SB330, effective January 1, 2020, an additional five (5) years to January 1, 2030. SB330 is a streamlining law that:

- Prohibits lessening overall residential density below January 1, 2018, levels
- Requires that demolished housing units are replaced in-kind, including both the total number of units, and their respective levels of affordability
- Prohibits adoption of new, subjective design standards after January 1, 2020
- Prohibits adoption of new housing moratoriums, unless an imminent health/safety threat exists (This rule suspended the City's Residential Development Control System (RDCS))
- Requires establishment of a two-part application process that enables eligible housing applicants to vest applicable fees and development regulations
- Requires a determination of Historic Significance at application completeness
- Limits complete projects to five public meetings, when: 1) no legislative approvals are required; and 2) the project is consistent with the General Plan, Zoning Ordinance, and objective development/design standards

SB330 also strengthens the Housing Accountability Act (Government Code Section 65589.5), which states that a housing development project that complies with the objective standards of the General Plan and Zoning

Ordinance must be approved by the City, unless the City is able to make written findings that either:

- the City has already met its Regional Housing Needs Assessment (RHNA) requirement. As of this publication date, Morgan Hill has not.
- there is an impact to the public health and safety and this impact cannot be mitigated. There are specific definitions for public health and safety impacts.
- the property is agricultural land
- approval of the project would violate State or Federal law and this violation cannot be mitigated; or
- the project is inconsistent with the zoning and land use designation and not identified in the General Plan Housing Element RHNA inventory

SB-9

Senate Bill 9 promotes small-scale neighborhood residential development by streamlining the process for a homeowner to create a duplex or subdivide an existing lot. Any new housing created as a result of this bill must meet a specific list of qualifications that ensure the protection of historic districts, environmental quality, and existing tenants vulnerable to displacement.

SB 10

Senate Bill 10 authorizes local governments to rezone for up to 10 residential units, without California Environmental Quality Act (CEQA) review, on specified urban infill parcels and lots near transit. This bill is voluntary and in order to utilize this bill, City Council would need to adopt an ordinance implementing the new law.

In addition to the three laws noted above, the Governor signed 31 additional housing related bills on September 28. All of these laws go into effect on January 1, 2022. The City team is going through all of those bills now to determine how, or if, they will impact Morgan Hill.

Keep a watch for future City Council briefings on all the new housing laws and how they will effect Morgan Hill. The City team will also be posting additional information on new laws at morganhill.ca.gov.