

Affordable Housing & Faith-Based Lands Act

Senate Bill (SB) 4, the Affordable Housing & Faith-Based Lands Act, authorizes religious organizations and non-profit colleges to build affordable multi-family homes on their property through a streamlined permitting process that overrides local zoning restrictions and environmental laws.

This info-bulletin provides an overview of the provisions allowed under SB 4, which became effective January 1, 2024. This bulletin is only intended to summarize many provisions of state law rather than cite them in total. Refer to Govt. Code [§65913.16](#) for the complete text.

BACKGROUND

Throughout the state, religious organizations have partnered with non-profit developers to build affordable housing, often on excess land provided by the faith-based institution. However, in most cases, the underlying zoning did not originally allow multifamily housing.

This meant that the land had to be rezoned to allow homes to be built, which can often be a complicated process that costs money and causes long delays in building the affordable homes Californians need. Further, the rezoning process opens the affordable housing development to significant risk and unpredictability in the approval process as there are more avenues for lawsuit and appeal.

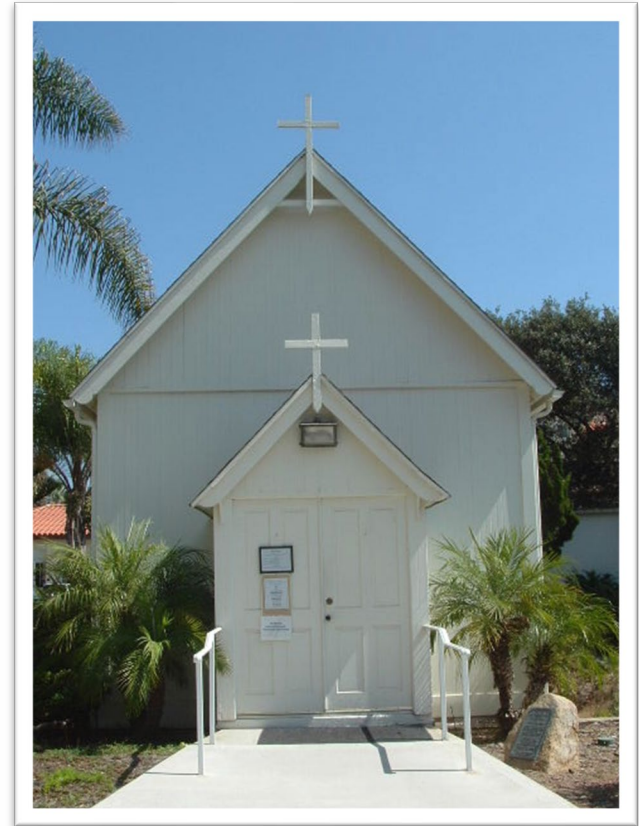
SB 4 streamlines the process for religious institutions and non-profit colleges to build affordable multifamily housing for low-income families on their property, regardless of local zoning restrictions. It also guarantees by-right approval of projects so long as they are consistent with SB 4 requirements and city established objective design standards.

PROPERTY REQUIREMENTS

SB 4 imposes several eligibility requirements. Development projects proposed on property meeting the following site requirements are eligible for the streamlined, ministerial approval process under SB 4.

Property Ownership

Only properties owned, controlled, and maintained by the following groups are eligible for SB 4 processing.



- Owned by a nonprofit religious institution, as defined under §65913.16 (b)(10) of the CA Govt. Code, on or before January 1, 2024.
- Owned by an independent institution of higher education, as defined under [§66010](#) of the CA Education Code, on or before January 1, 2024.

Property within the Coastal Zone

SB 4 does not apply to properties located within the [CA Coastal Zone](#), and subject to the CA Coastal Act.

Property Near Other Development

At least 75% of the property's perimeter must adjoin parcels that are developed with urban uses. "Urban uses" means any current or former residential, commercial, public institutional, transit or transportation facility, or retail use, or any combination of those uses. Parcels separated by a street or highway are considered adjoined.

Property Near Hazardous or Protected Areas

Properties constrained by any one of the following conditions are ineligible.

- Very or very high fire hazard severity zone
- Delineated earthquake fault zone
- Habitat for protected species or wetlands
- Conservation plan/conservation easement
- Flood plain/floodway
- Hazardous waste site
- Farmland (prime/statewide significance)
- Land governed by the following laws:
 - Mobile Home Residency Law
 - RV Park Occupancy Law
 - Mobile Home Parks Act
 - Special Occupancy Parks Act

Property With Existing Housing

Properties with existing housing can be eligible for SB 4 processing, but if the existing housing meets any one of the following conditions, the housing unit(s) cannot be demolished:

- Subject to rent control.
- Occupied by tenants in the last 10 years.
- Subject to a local law that restricts rents to levels affordable to persons and families of moderate, low, or very low incomes.
- Development cannot be on a site used for housing that was occupied by tenants that was demolished within 10 years.
- Occupied by tenants, and the units have been/are being offered for sale to the public.

Housing units that do not meet the above conditions but will otherwise be demolished as part of the development project must be replaced by as many dwelling units as will be removed.

Property With Historic Structures

Properties with a historic structure that is currently listed on a national, state, or local historic register at the time of application submittal is eligible, but the historic structure cannot be demolished.

Property On or Near Industrial Uses

Properties/housing development subject to the following conditions are ineligible for SB 4 processing.

- Located on, or adjacent to property that is zoned (as of January 1, 2022) for industrial use. In the city, industrial zones include the C-M, M, P-M, and P-M/O zones. To confirm site specific zoning, please use the city's [eZoning Map](#).
- Adjacent to a site where at least one-third of the property is being used for, or was most recently used for light industrial use, which is generally defined as an industrial use not requiring a permit from the San Diego County Air Quality Control District.
- Located within 1,200 feet of an existing, or most recent use was, heavy industrial use as defined by §65913.16(b)(4).
- Located within 1,600 feet of an existing, or most recent use was, a Title V Industrial Use as defined by Health & Safety Code [§39053.5](#).
- Located within 3,200 feet of a facility that extracts or refines oil or natural gas.



DEVELOPMENT REQUIREMENTS

In addition to property requirements, SB 4 imposes requirements and conditions on the type and intensity of housing development that will be allowed on religious or college properties.

Development Types

Housing development projects allowed under this program are the same as those project types allowed under the Govt. Code [§65589.5](#), which are summarized below.

- Developments that are entirely comprised of residential units.
- Transitional housing or supportive housing
- Mixed-use developments consisting of residential and nonresidential uses subject to the following standards.
 - At least two-thirds of the proposed development square footage is designated for residential use.
 - Nonresidential uses limited to the ground floor of the proposed development.
 - In single-family zones (R-1 zone), nonresidential uses shall be limited to childcare centers, and facilities operated by community-based organizations that offer recreational, social, or educational services for use by the residents of the development and local community.
 - In all other zones, the development may include commercial uses that are normally permitted without the need for discretionary approval (i.e., CUP, CDP, SDP).

Development Densities

- If the development project is in a zone that allows residential uses, including single-family, the maximum allowed density is 30 dwelling units per acre.
- If the development project is in a zone that prohibits residential uses, the maximum allowed density is 40 dwelling units per acre.

Development Standards

- Maximum structure height shall be one story above the maximum height limit per the underlying zone.
- Parking.
 - At least one off-street parking space per unit shall be provided.
 - Removal of existing parking that is required for the religious or college use must be replaced, unless a waiver or modification of the parking standards is approved pursuant to [§21.44.040](#).
 - Notwithstanding the above requirements, off-street parking spaces shall not be required if the property is located within one-half mile of public transit. Refer to [IB-131](#) for a map of eligible parcels.

- Compliance with all applicable city established objective design standards.
- Development located within 500 feet of a freeway will be required to install air filtration equipment (minimum MERCV of 13).
- A Phase I, and if warranted a Phase II environmental assessment shall be prepared. Refer to Govt. Code §65913.16(c)(13) for required remediation process if hazardous substances are found.

Types of Affordable Housing

A proposed housing development project must implement one of the following affordability options.

- 100% of the housing units are deed restricted for lower income households, which is defined as households making less than 80% of the Area Median Income; or
- 80% of the housing units are deed restricted for lower income households and 20% are deed restricted for moderate income households, which is defined as households making less than 120% of the Area Median Income.

NOTE: Up to 5% of the proposed units may be reserved for staff, irrespective of household income. Additionally, an unrestricted housing unit may be reserved for an onsite manager, if applicable.

When calculating the number of required affordable units, applicants must first remove the unrestricted units from the total unit count. The affordability restrictions are then applied to the adjusted figure.

All fractional units resulting in 0.5 or greater shall be rounded up pursuant to CMC [§21.53.230\(e\)\(2\) & \(3\)](#).

Refer to the theoretical project below as an example of how these standards can be applied.

A QUALIFYING CHURCH PROPOSES A 50-UNIT HOUSING PROJECT ON THEIR PROPERTY, AND CHOOSES TO APPLY THE SECOND BULLETED OPTION ---

- *One unit will be reserved for an onsite manager (49 remaining units)*
 - *Two units (5% of 49) will be reserved for clergy (47 remaining units)*
 - *27 units will be reserved for low-income, and 11 units reserved for very low-income families (80% of 47 remaining units)*
 - *10 units will be reserved for moderate income families (20% of 47 remaining units)*
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Prevailing Wages

SB 4 requires all projects over 10 units must pay construction at least the general prevailing rate of per diem wages for the type of work and geographic area. Refer to Govt Code §65913.16(c)(12), §65913.16(d)(1), and §65913.16(e) & (f) for additional details.

Skilled & Trained Workforce Provisions

A skilled and trained workforce must be hired to complete the development if the project consists of 50 or more units. This requirement includes apprenticeship requirements, health care contributions, and other contracting and reporting criteria. Refer to Govt Code §65913.16(g) for additional details.

APPLICATION SUBMITTAL & REVIEW

Submittal

Eligible projects are first required to complete and submit a residential building permit application ([B-1](#)) along with application submittal requirements ([B-5](#)). Please contact the Building Division to schedule an intake appointment.

Processing

Once the application is accepted and distributed for processing, initial plan check review shall be no longer than 60 days for development proposing 150 or more units and no longer than 90 days for larger development projects.

These review “shot clock” times reset when the plans are resubmitted for recheck.

Subdivision Map

For proposed development projects that include the subdivision of land, an application for a subdivision pursuant to Division 2 of the Subdivision Map Act (commencing with Section 66410) and Title 20 of the Carlsbad Municipal Code shall be required and approved by the City Council.

Pursuant to 65913.16(l)(7), the processing of the application shall be exempt from CEQA.

DENSITY BONUS

SB 4 projects can utilize all the benefits offered under the State Density Bonus Law, which includes density bonus and the granting of concessions, incentives, and waivers of development standards to housing

developments. Please refer to the city’s informational bulletin [IB-112](#) for additional information on density bonus allowances.

NOTE: A development project cannot use an incentive, concession, or waiver under state density bonus to increase structure height above what is authorized under SB 4.



OPTIONS FOR SERVICES

To schedule an appointment or to learn more about this process, please contact the Planning Division at 442-339-2610 or via email at Planning@carlsbadca.gov.