

Legislative Update



Understanding California Senate Bill 9 (SB-9)

On September 16, 2021, CA Senate Bill No. 9 (SB-9) was signed into law and will take effect on January 1, 2022. This legislative bill intends to help alleviate the affordable housing crisis by easing perceived land use and barriers of California Environmental Quality Act (CEQA) to increase density and streamline the production of multi-family housing developments statewide.

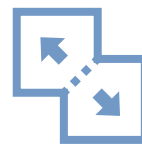
The bill addresses two types of land use adjustments:

Two-Unit Development Projects



SB-9 could lead to up to four homes on lots where currently only one exists by allowing existing single-family homes to be converted into duplexes.

Lot Splits



SB-9 would also allow single family parcels to be subdivided into two lots, while allowing for a new two-unit building to be constructed on the newly formed lot.

Examples of Exceptions and Restrictions

The bill requires that a development or parcel to be subdivided must be located within an urbanized area or urban cluster. It may NOT be located on prime farmland, wetlands, high fire zone areas, or land within a 100-year floodplain or land in a historic district. The bill also prohibits demolition or alteration of an existing unit of rent-restricted housing, housing that has been the subject of an Ellis Act eviction within the past 15 years, or that has been occupied by a tenant in the last three years. It prohibits demolition of more than 25% of the exterior walls of an existing structure unless the local ordinance allows greater demolition or if the site has not been occupied by a tenant in the last three years.

Please be sure to consult with your legal advisor or your local agency for complete details regarding the extensive exceptions and considerations related to SB-9.

Title Tip

Please note that Fidelity National Title may require a "Certificate of Compliance" prior to issuing title insurance for instances of split parcels. A Certificate of Compliance is a method for the Planning Department to certify that the parcel of land was created in compliance with SB-9, as applicable, at the time the parcel was divided.

For reference purposes only. Information is deemed reliable but not guaranteed.
<https://www.clta.org/news/580714/Controversial-Housing-Bill-Signed-by%2C%AD-Newsom-Allowing-Increased-Density-on-Single-Family-Parcels.htm>
https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB9

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