

# Rural Housing Parity, Federal Alignment, and RHNA Clarification Act

## Legislative Summary and Policy Brief

### Introduction

The Rural Housing Parity, Federal Alignment, and RHNA Clarification Act is a proposed legislative measure aimed at addressing disparities and barriers in rural housing development across California. The bill seeks to harmonize local zoning practices with federal housing standards, facilitate increased housing production on qualifying rural parcels, and clarify the application of the Williamson Act in the context of state housing mandates. This summary provides an analysis of the bill's purpose, key provisions, and anticipated impacts for policy analysts, planners, and housing advocates.

### Findings and Declarations

The bill recognizes longstanding inconsistencies between federal housing standards (such as those administered by HUD and FHA) and local zoning ordinances that have limited the development of much-needed housing in rural areas. Legislative intent centers on expanding rural housing opportunities, ensuring California's compliance with state-mandated Regional Housing Needs Assessment (RHNA) obligations, and preserving local control over objective development standards.

### Definitions

To ensure clarity and consistent application, the bill defines several key terms:

- Single-Family Residential Use: The occupancy of a dwelling unit by one household, as recognized under state and federal law.
- Qualifying Rural Parcel: A parcel located in a rural census tract, not subject to local growth management restrictions, and zoned for residential use.
- By-Right Approval: The ministerial permitting of up to four dwelling units on qualifying parcels without discretionary review, hearings, or subjective findings.

### By-Right Authorization for Rural Housing

The bill establishes by-right approval for up to four dwelling units per qualifying rural parcel, classifying such development as single-family residential use. This provision prohibits local governments from imposing discretionary review or additional procedural hurdles, streamlining the permitting process and promoting rural housing supply.

## Preservation of Local Authority and Existing Law

While enabling by-right development, the legislation reaffirms local governments' authority to enforce objective design, development, and infrastructure standards. It explicitly prohibits spot zoning, unlawful parcel splits, or any actions that would circumvent established local planning processes or the Subdivision Map Act. Existing law, including environmental protections and public health standards, remains in full effect.

## Housing Element and RHNA Consistency

Local governments must account for by-right rural housing authorizations in their housing element updates and RHNA planning. The bill clarifies that qualifying rural units are eligible for RHNA credit and subject to review by the Department of Housing and Community Development (HCD) for compliance with state housing goals. This ensures rural housing production meaningfully contributes to statewide housing targets.

## Federal Housing Alignment

The Act requires local zoning to align with federal housing standards, particularly those governing HUD and FHA programs. This alignment is intended to eliminate barriers to federal financing and ensure that rural housing developments are eligible for federally backed loans, grants, and assistance. Local governments must revise zoning ordinances as necessary to comply with these federal requirements.

## Williamson Act Clarification

The bill clarifies that its provisions do not impair existing Williamson Act contracts, which protect agricultural land from non-agricultural development. By-right rural housing is limited to parcels not covered by such contracts, and any development must be consistent with the underlying contract terms and local land use policies. The Act reaffirms the primacy of agricultural preservation while facilitating housing on eligible parcels.

## Preemption and Severability

Provisions of the bill preempt any local ordinance or regulation that conflicts with its requirements, establishing statewide uniformity for rural housing development. The bill includes a severability clause to ensure that if any section is found invalid, the remainder remains in effect.

## Sponsor One-Pager Summary

|                 |  |
|-----------------|--|
| <b>Problem</b>  | Rural communities face unique barriers to housing production due to restrictive local zoning, lack of federal alignment, and unclear RHNA eligibility.                                 |
| <b>Solution</b> | Streamlines rural housing permitting, aligns local zoning with federal standards, clarifies RHNA and Williamson Act treatment, and preserves local authority over objective standards. |
|                 |  |

## Rural Housing Parity, Federal Alignment, and RHNA Clarification Act of 2026

### SECTION 1. Legislative Findings and Declarations

The Legislature finds and declares all of the following:

- (a) Federal housing standards administered by the United States Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA) define residential properties containing one (1) to four (4) dwelling units as single-family residential properties for purposes of mortgage insurance, underwriting, and housing finance eligibility.
- (b) California counties, particularly rural counties, maintain zoning classifications that permit single-family residential use on large parcels but frequently impose discretionary review or reclassification when more than one dwelling unit is proposed, even where federal standards treat such development as single-family residential.
- (c) These inconsistencies create unnecessary barriers to housing production, limit financing options, and undermine the ability of jurisdictions to meet their obligations under the Housing Element Law (Government Code §65580 et seq.), including the accommodation of their Regional Housing Needs Allocation (RHNA).
- (d) The Legislature further finds that permitting up to four (4) dwelling units on large rural parcels:
  - Does not materially alter rural land use patterns;
  - Preserves local authority over objective health, safety, and infrastructure standards; and
  - Aligns local zoning with established federal housing classifications.
- (e) It is the intent of the Legislature to require counties to align rural zoning regulations with federal housing definitions, clarify permissible residential development on large rural parcels, and remove regulatory ambiguity that interferes with RHNA compliance, while preserving existing land use law, including restrictions on spot zoning, parcel subdivision, and Williamson Act contracts.

### SECTION 2. Definitions

For purposes of this Act:

- (a) "Single-Family Residential Use" means a residential use consisting of one (1) to four (4) dwelling units, consistent with HUD and FHA residential property classifications.
- (b) "Qualifying Rural Parcel" means a legal parcel that:
  - Is zoned for single-family residential or agricultural-residential use;
  - Has a minimum parcel size of ten (10) acres or greater (including, but not limited to, R-10, A-10, or equivalent zoning); and
  - Is located within an unincorporated area of a county.
- (c) "By-Right Approval" means approval without discretionary review, conditional use permits, variances, or rezoning, subject only to objective development standards.

### SECTION 3. By-Right Residential Use Authorization

- (a) Notwithstanding any other provision of local law, a county shall permit, by right, the development of up to four (4) dwelling units on any Qualifying Rural Parcel.

(b) Development authorized pursuant to this section shall be classified as single-family residential use, regardless of the number of units, provided the total number of units does not exceed four (4).

(c) A county shall not require discretionary review, conditional use permits, or reclassification of zoning solely because a residential development includes more than one dwelling unit, up to the four-unit maximum.

#### SECTION 4. Preservation of Objective Standards and Existing Land Use Law

(a) Nothing in this Act limits a county's authority to apply objective, uniformly applicable standards, including but not limited to:

Building and fire codes;

Water supply, wastewater, and septic capacity requirements;

Setbacks, height limits, lot coverage, and access standards;

Environmental health and public safety regulations.

(b) This Act does not authorize:

Spot zoning, as defined by California case law;

Rezoning of individual parcels inconsistent with surrounding parcels;

Parcel splits or subdivisions inconsistent with the Subdivision Map Act (Government Code §66410 et seq.).

(c) Compliance with this Act shall be achieved through zoning standards that apply uniformly to all similarly situated parcels, thereby avoiding impermissible spot zoning.

#### SECTION 5. Housing Element and RHNA Alignment

(a) Counties shall incorporate the provisions of this Act into their General Plan and Housing Element updates within 18 months of enactment.

(b) The Department of Housing and Community Development (HCD) shall evaluate county compliance based on whether zoning standards:

Permit one-to-four-unit residential development by right on qualifying rural parcels;

Rely on objective standards rather than discretionary review;

Facilitate housing production sufficient to meet RHNA obligations.

(c) Residential units developed pursuant to this Act shall be eligible for inclusion in a county's Housing Element site inventory and RHNA progress reporting, consistent with existing law.

#### SECTION 6. Federal Housing Alignment

(a) Counties shall ensure that zoning classifications and definitions do not conflict with HUD or FHA residential property classifications for one-to-four-unit housing.

(b) Local regulations shall not impose requirements that would functionally preclude financing eligibility under federal housing programs for developments authorized by this Act.

#### SECTION 7. Williamson Act Contract Clarification

(a) Nothing in this Act shall be construed to amend, impair, invalidate, or conflict with any contract entered into pursuant to the California Land Conservation Act of 1965 (Williamson Act), Government Code §51200 et seq.

(b) This Act does not require the cancellation, nonrenewal, or modification of a Williamson Act contract and does not impose any new limitation or restriction on land subject to such contracts.

(c) Residential development of up to four (4) dwelling units on a single legal parcel, as authorized by this Act, shall not be deemed inconsistent with a Williamson Act contract solely due to the number of dwelling units, where:

No parcel subdivision or lot split is proposed; and

The underlying zoning designation remains unchanged.

(d) A county shall not interpret a Williamson Act contract to impose a residential unit limitation that is more restrictive than the zoning standards applied to similarly zoned parcels not subject to such contracts.

(e) Housing developed pursuant to this Act on land subject to a Williamson Act contract shall not be excluded from Housing Element inventories or RHNA accounting solely due to contract status.

## SECTION 8. Preemption

This Act preempts any local ordinance, policy, or interpretation that conflicts with its provisions. Counties retain authority over objective standards but shall not apply discretionary or subjective processes that functionally preclude compliance.

## SECTION 9. Severability

If any provision of this Act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision.

### Legislative Intent Summary (Staff-Ready)

This bill aligns rural county zoning with federal housing definitions by permitting up to four residential units as single-family residential use on large rural parcels, removes discretionary barriers inconsistent with RHNA obligations, preserves prohibitions on spot zoning and unlawful parcel splits, and clarifies that Williamson Act contracts shall not be used to impose additional housing restrictions beyond applicable zoning standards.

# Side-by-Side Comparison

## El Dorado County Rural Housing Parity & Family Stability Initiative

### Overview

This document presents a side-by-side comparison framework for the El Dorado County Rural Housing Parity & Family Stability Initiative. The intent is to facilitate clear evaluation and decision-making regarding rural housing parity and programs supporting family stability in El Dorado County.

### Comparison Table

| Component                 | Current State  | Proposed Initiative  | Expected Impact   |
|---------------------------|--|--|---|
| Housing Availability      | Limited access to affordable housing, especially in rural areas. | Increase funding and incentives for rural affordable housing development.    | Greater access to housing for low-income rural families.          |
| Family Stability Support  | Fragmented social services and limited outreach.                 | Centralized resource centers and enhanced service coordination.              | Improved family resilience and access to support.                 |
| Parity with Urban Areas   | Rural communities often receive less funding and fewer programs. | Policy changes to ensure equitable resource distribution.                    | Reduction in disparity between urban and rural family outcomes.   |
| Transportation Access     | Limited public transportation options in rural regions.          | Expand rural transit routes and subsidize transportation costs for families. | Greater mobility, access to jobs, and services.                   |
| Educational Opportunities | Fewer programs and resources for rural students.                 | Increase investment in rural schools and after-school programs.              | Higher educational attainment and career readiness.               |
| Healthcare Access         | Distance and lack of providers limit rural healthcare access.    | Telemedicine expansion and rural clinic support.                             | Better health outcomes for rural families.                        |
| Community Engagement      | Lower participation in civic programs.                           | Initiatives to foster rural leadership and volunteerism.                     | Stronger, more cohesive rural communities.                        |
| Economic Stability        | Limited job opportunities and economic development.              | Business incentives and workforce development programs.                      | Increased employment and local economic growth.                   |
| Childcare Availability    | Insufficient childcare options in rural areas.                   | Subsidies and support for rural childcare providers.                         | Greater access to quality childcare, supporting working families. |

|                 |   |  |   |
|-----------------|---|--|---|
| Policy Advocacy | Minimal rural representation in policy decisions. | Establish rural advisory boards and increase advocacy efforts. | More responsive and inclusive policy development. |
|-----------------|---|--|---|

## Summary

The above table illustrates the gaps between the current state and the proposed El Dorado County Rural Housing Parity & Family Stability Initiative. By addressing housing availability, family stability, parity with urban areas, transportation, education, healthcare, community engagement, economic stability, childcare, and policy advocacy, the initiative aims to foster long-term improvements for rural families in El Dorado County.