ORDINANCE NO. 26-2347

BEING AN INTERIM ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL REESTABLISHING THE URGENCY MEASURES OF INTERIM ORDINANCE NO. 2334, WITH AN AMENDMENT REVISING THE METHOD OF APPLYING VACANCY REQUIREMENTS TO SINGLE-FAMILY RESIDENTIAL PROPERTIES, FOR CONTINUED IMPLEMENTATION OF THE STARTER HOME REVITALIZATION ACT PURSUANT TO SENATE BILL NO. 1123 (2024) AND ASSEMBLY BILL NO. 130 (2025)

WHEREAS, on October 11, 2023, the Governor of the State of California signed into law Senate Bill No. 684 (Caballero), which added Sections 65852.28, 65913.4.5, and 66499.41 to the California Government Code, collectively establishing a streamlined, ministerial approval process for small-scale housing development projects of up to ten residential units on urban lots, and authorizing the application of objective development and design standards;

WHEREAS, on September 19, 2024, the Governor of the State of California signed into law Senate Bill No. 1123 (Caballero), which amended Sections 65852.28 and 66499.41 of the California Government Code to expand and clarify eligibility for ministerial approval under the Starter Home Revitalization Act, including by permitting qualifying projects on certain vacant single-family residential parcels, reducing applicable density thresholds, and clarifying key implementation provisions;

WHEREAS, on June 30, 2025, the Governor of the State of California signed into law Assembly Bill No. 130 (Committee on Budget), a budget trailer bill that enacted amendments to Government Code Section 66499.41 and related provisions, including clarifying the treatment of remainder parcels, refining the relationship between unit construction and map recordation, and establishing additional limitations on the sale, lease, or financing of subdivided parcels prior to final inspection;

WHEREAS, the provisions of Senate Bill No. 1123 and Assembly Bill No. 130 became operative on July 1, 2025, and, in the absence of locally adopted development standards, requirements, and implementation procedures, may conflict with existing provisions of the Campbell Municipal Code and create uncertainty, inconsistencies, and administrative challenges in the implementation of State law;

WHEREAS, certain development standards, requirements, and permitting procedures in the Campbell Municipal Code are inconsistent with, or do not fully implement, the provisions of Government Code Sections 65852.28, 65913.4.5, and 66499.41, including, but not limited to, standards related to lot configuration, land use definitions, and review procedures;

WHEREAS, Government Code Sections 65852.28(e), 65913.4.5(b), and 66499.41(i) authorize local agencies to adopt ordinances and procedures to implement the provisions of the Starter Home Revitalization Act;

WHEREAS, pursuant to Government Code Section 65858 and Section 21.60.090 of the Campbell Municipal Code, the City Council may adopt urgency measures as an interim ordinance upon a four-fifths vote to address a current and immediate threat to the public health, safety, or welfare;

WHEREAS, on July 1, 2025, the City Council adopted Interim Ordinance No. 2332 to implement Senate Bill No. 1123; however, that ordinance was prepared prior to the enactment of Assembly Bill No. 130 and did not reflect those subsequent amendments;

WHEREAS, on August 4, 2025, the City Council adopted Interim Ordinance No. 2334 to implement Senate Bill No. 1123, as amended by Assembly Bill No. 130, thereby superseding Interim Ordinance No. 2332;

WHEREAS, on September 16, 2025, the City Council adopted Interim Ordinance No. 2335 to extend Interim Ordinance No. 2334 for a period of ten months and fifteen days, which remains in effect and is scheduled to expire on July 31, 2026;

WHEREAS, Interim Ordinance No. 2334 establishes ministerial approval procedures, eligibility criteria, subdivision requirements, and objective development standards for qualifying small-scale housing development projects, including provisions governing the application of vacancy requirements to single-family residential parcels;

WHEREAS, since adoption of Interim Ordinance No. 2334, the City has received and processed multiple applications for starter home projects, including a concentration of recent applications on parcels developed with existing single-family residences;

WHEREAS, a number of these applications involve demolition of existing residential structures and have raised questions regarding the interpretation and application of vacancy requirements under the City's current interim ordinance;

WHEREAS, recent applications and the City's implementation experience have generated public comment and policy concerns regarding the application of vacancy requirements, and the City Council has determined that further clarification of the City's current approach is warranted;

WHEREAS, the City Council desires to maintain the urgency measures established by Interim Ordinance No. 2334, while providing a targeted revision to the method of applying vacancy requirements to single-family residential properties;

WHEREAS, the City Council finds that there is a current and immediate threat to the public health, safety, or welfare, and that recent implementation of the City's interim ordinance has revealed a need for immediate clarification regarding its application to parcels developed with existing single-family residences, in order to avoid inconsistent administration and the premature removal of existing housing;

WHEREAS, the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with any zoning ordinance provisions that are inconsistent with applicable State law would result in that threat to public health, safety, or welfare;

WHEREAS, the City Council further finds that adherence to existing standards, requirements, and permitting procedures without such clarification would result in the threat to the public health, safety, or welfare identified above;

WHEREAS, it is not the intent of this interim ordinance to deny or delay the approval of housing development projects that comply with Government Code Sections 65852.28, 65913.4.5, and 66499.41;

WHEREAS, the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with any zoning ordinance provisions that are inconsistent with applicable State law would result in that threat to public health, safety, or welfare;

WHEREAS, this ordinance would not have the effect of denying approvals provided for under State law that are needed for the development of projects with a significant component of multifamily housing;

WHEREAS, adoption of this interim ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Government Code Sections 65852.28(e), 65913.4.5(b), and 66499.41(i); and

WHEREAS, this interim ordinance is adopted by a four-fifths vote of the City Council in accordance with Government Code Section 65858 and shall take effect immediately upon its adoption.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CAMPBELL DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1 (ADOPTION OF URGENCY MEASURES): The urgency measures, standards, procedures, and provisions established by Interim Ordinance No. 2334, as previously extended by Interim Ordinance No. 2335, are hereby adopted and incorporated by reference into this interim ordinance as though fully set forth herein, except as expressly modified in Section 2 of this ordinance.

SECTION 2 (REVISION TO VACANCY PROVISIONS): The provisions previously set forth in Subsection C (Vacant parcel) of Section 4 (Site Eligibility) of Interim Ordinance No. 2334, as incorporated into this interim ordinance by Section 1, are hereby revised to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

> **C. Vacant parcel**. A parcel located within the Single-Family (R-1) Residential Zoning District or a legacy zoning district with a low density residential General Plan land use designation, shall only be eligible for a starter home project if it ~~will meet~~ satisfies the definition of "vacant," as provided in this interim ordinance, on the date that a development proponent submits an application for a starter home project ~~no later than the date of recordation of a final map or issuance of a building permit, whichever occurs first~~.

SECTION 3 (SEVERABILITY): If any section, subsection, sentence, clause, or phrase of this interim ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this interim ordinance. The City Council hereby declares that it would have passed this interim ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more portions may be declared invalid or unconstitutional.

SECTION 4 (CEQA): Adoption of this interim ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Government Code Sections 65852.28(e), 65913.4.5(b), and 66499.41(i).

SECTION 5 (STATE LAW): Any provision of this interim ordinance that is inconsistent with Government Code Sections 65852.28, 65913.4.5, or 66499.41 shall be interpreted in a manner that achieves compliance with State law. The provisions of this interim ordinance shall supersede and take precedence over any inconsistent provision of the Campbell Municipal Code to the extent necessary to effectuate the purposes of this interim ordinance for the duration of its effectiveness.

SECTION 6 (REPEAL): If Government Code Sections 65852.28, 65913.4.5, or 66499.41 are repealed or otherwise rescinded by the California State Legislature or by the People of the State of California, this interim ordinance shall cease to be in effect.

SECTION 7 (PUBLICATION): The City Clerk shall cause this interim ordinance to be published at least once in a newspaper of general circulation within 15 days after its adoption in accordance with Government Code Section 36933.

SECTION 8 (TERMINATION OF PRIOR INTERIM ORDINANCE): Interim Ordinance No. 2334, as extended by Interim Ordinance No. 2335, is hereby terminated upon the effective date of this interim ordinance and shall thereafter have no further force or effect.

SECTION 9 (APPLICATIONS IN PROGRESS): Pursuant to Section 21.01.050.E of the Campbell Municipal Code (Effect of zoning code changes on projects in progress), this interim ordinance shall apply to any application for a starter home project filed with the Community Development Department that has not been deemed complete as of the effective date of this ordinance, except for an application for which a preliminary application was submitted pursuant to Government Code Section 65941.1 before that date and that remains entitled to the protections of Government Code Section 65589.5(o).

SECTION 10 (EFFECTIVENESS): This interim ordinance shall take effect immediately upon its adoption and shall remain in effect for a period of forty-five (45) days from the date of adoption, unless extended by the City Council.

PASSED AND ADOPTED this 21st day of April, 2026 by the following roll call vote:

AYES: Councilmembers: Hines, Scozzola, Bybee, Furtado
NOES: Councilmembers: Lopez
ABSENT: Councilmembers: None

APPROVED: _____
Daniel E. Furtado, Mayor

ATTEST: _____
Andrea Sanders, City Clerk

Not a Part of CC Ordinance No. 26-2347: Provided for Ease of Reference

ORDINANCE NO. 2334

AN INTERIM ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL ADOPTING URGENCY MEASURES TO IMPLEMENT SENATE BILL NO. 1123 (2024) AND ASSEMBLY BILL NO. 130 (2025), REGARDING MINISTERIAL APPROVAL OF STARTER HOME PROJECTS

WHEREAS, on October 11, 2023, the Governor of the State of California signed into law Senate Bill No. 684 (Caballero), to add Sections 65852.28, 65913.4.5, and 66499.41 to the California Government Code, which collectively authorize a streamlined, ministerial approval process for housing development projects of ten or fewer residential units on urban lots under five acres, and allow the application of objective development and design standards; and

WHEREAS, on September 19, 2024, the Governor signed into law Senate Bill No. 1123 (Caballero), "An act to amend Sections 65852.28 and 66499.41 of the California Government Code, relating to land use," which clarified and expanded the eligibility criteria for ministerial approval, including: permitting vacant single-family residential lots up to 1.5 acres; prohibiting the inclusion of accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in the 10-unit cap; authorizing specified height limits on vacant lots; recognizing tenancy-in-common ownership structures; and reducing the minimum density for non-Housing Element sites to 66 percent of maximum allowable density; and

WHEREAS, on June 30, 2025, the Governor signed into law Assembly Bill No. 130 (Committee on Budget), a budget trailer bill that enacted immediate changes to numerous provisions of state housing law, including amendments to Government Code Section 66499.41 to clarify the treatment of remainder parcels, revise the relationship between unit construction and map recordation, and establish new limitations on the sale, lease, or financing of subdivided parcels prior to final inspection; and

WHEREAS, the provisions of Senate Bill No. 1123 and Assembly Bill No. 130 became operative on July 1, 2025, and in the absence of locally adopted development standards, requirements, and implementation procedures, the bill's mandates could conflict with existing provisions of the Campbell Municipal Code and thereby create uncertainty, inconsistencies, and administrative obstacles to the implementation of the law; and

WHEREAS, certain development standards, requirements, and permitting procedures in the Campbell Municipal Code are currently inconsistent with the provisions authorized under Senate Bill No. 1123, including but not limited to lot size minimums, land use definitions, and review procedures; and

WHEREAS, the Community Development Department is studying permanent revisions to the Zoning Code to implement the provisions of Senate Bill No. 1123 and to protect the public safety, health, and welfare; and

WHEREAS, to ensure compliance with Senate Bill No. 1123 prior to its operative date, this interim ordinance establishes ministerial approval procedures, eligibility criteria, subdivision requirements, and objective development standards for qualifying small-scale housing development projects, including provisions for vacant single-family parcels, minimum lot sizes, and affordability obligations; and

WHEREAS, Interim Ordinance No. 2323, adopted on July 1, 2025, enacted urgency measures to implement Senate Bill No. 1123 prior to the adoption of Assembly Bill No. 130, and shall be repealed by this interim ordinance

WHEREAS, California Government Code Sections 65852.28(e), 65913.4.5(b) and 66499.41(i) authorize local governments to adopt ordinances implementing the provisions of Senate Bill No. 1123, as amended by Assembly Bill No. 130; and

WHEREAS, pursuant to California Government Code Section 65858 and Campbell Municipal Code Section 21.60.090, the City Council may adopt an interim ordinance as an urgency measure to protect the public health, safety, and welfare; and

WHEREAS, it is not the intent of this interim ordinance to preclude or deny approvals necessary for the development of housing projects that include a significant component of multifamily housing; and

WHEREAS, based on the foregoing findings, the City Council further finds that there exists a current and immediate threat to the public health, safety, and welfare, and that the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use in conflict with this ordinance would exacerbate that threat; and

WHEREAS, adoption of this interim ordinance is not a project for purposes of the California Environmental Quality Act (CEQA), pursuant to California Government Code Sections 65852.28(e), 65913.4.5(b), and 66499.41(i), which exempt the implementation of these statutory provisions from CEQA review.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CAMPBELL DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1 (PURPOSE): This interim ordinance establishes temporary provisions to Title 21 (Zoning) of the Campbell Municipal Code to facilitate the construction of starter home projects and the creation of urban lot splits, as specified by Government Code Sections 65852.28, 65913.4.5, and 66499.41. These provisions ensure compliance with state law reiterating local standards and procedures for ministerial review of qualifying small-scale housing development projects and subdivisions. The provisions of this interim ordinance shall supersede any conflicting provisions within Title 21 (Zoning), all other provisions shall remain in full force and effect.

SECTION 2 (APPLICABILITY): This interim ordinance applies exclusively to voluntary applications for "starter home projects," as defined herein. Property owners or their authorized representatives may continue to exercise subdivision rights for conforming subdivisions in compliance with Title 20 (Subdivision and Land Development) of the Campbell Municipal Code and the California Subdivision Map Act.

SECTION 3 (DEFINITIONS): In addition to the terms defined by Section 21.72.020 (Definitions of specialized terms and phrases) and Section 4 (Definitions) of interim ordinance No. 2321, the following terms shall have the following meanings as used in this interim ordinance. Where a conflict may exist, the definitions provided in this section shall prevail over any other definition.

"Designated remainder parcel" means a portion of an existing lot that is neither included in nor exclusively dedicated to serving the starter home project, retains existing land uses or structures, is not proposed for new residential development, and is designated as a remainder in accordance with Government Code Section 66424.6.

"Final map" means a final map, including parcel maps, prepared in accordance with the Subdivision Map Act (Government Code Section 66410 et seq.) and Title 20 (Subdivisions and Land Development), and based upon an approved or conditionally approved tentative map.

"**Living area**" means the finished and heated floor area fully enclosed by the inside surface of walls, windows, doors, and partitions, and having a headroom of at least six and one-half feet, including working, living, eating, cooking, sleeping, stair, hall, service, and storage areas, but excluding garages, carports, parking spaces, cellars, half-stories, and unfinished attics and basements.

"**Starter home project**" means a proposal to create two or more new lots or new residential condominiums through the filing of a tentative map pursuant to Government Code Section 66499.41, for a housing development project containing no more than ten primary dwelling units in accordance with Government Code Section 65852.28.

"**Tentative map**" means a tentative map, including tentative parcel maps, prepared in accordance with the Subdivision Map Act (Government Code Section 66410 et seq.) and Title 20 (Subdivisions and Land Development).

"**Vacant**" means a lot having no permanent structure, unless the permanent structure is abandoned and deemed uninhabitable by the Building Official, excluding (1) housing that is subject to a recorded covenant, ordinance, or law that restricts rent or sales price to levels affordable to persons and families of low, very low, or extremely low income; (2) housing that is subject to any form of rent or sales price control through a local public entity's valid exercise of its police power; and (3) housing occupied by tenants within the five years preceding the date of the starter home project application, including housing that has been demolished or that tenants have vacated prior to the submission of the application.

SECTION 4 (SITE ELIGIBILITY): A starter home project may only be created on a parcel(s) satisfying all of the following general requirements. An application for a starter home project on a parcel(s) not satisfying these requirements shall not be accepted by the Community Development Director pursuant to Section 21.38.040.E (Community Development Director's determination):

A. Zoning district. The parcel(s) is located within one of the following zoning districts, as defined by Chapter 21.04 (Establishment of Zoning Districts):

1. A multi-family residential zoning district;
2. A mixed-use zoning district;
3. The Single-Family (R-1) Residential Zoning District, provided that the parcel is vacant;

4. A legacy zoning district, provided that the parcel's General Plan land use designation directly corresponds to a multi-family residential or mixed-use zoning district, as specified in Section 21.04.020, Table 21.04-01 (Zoning Districts and General Plan Designations); or
5. A legacy zoning district, provided the parcel is vacant and its General Plan land use designation directly corresponds to the Single-Family (R-1) Residential Zoning District, as specified in Section 21.04.020, Table 21.04-01 (Zoning Districts and General Plan Designations).

B. Legal parcel. The parcel(s) has been legally created in compliance with Title 20 (Subdivisions and Land Development) and the Subdivision Map Act (Government Code Section 66410 et seq.), as applicable at the time the parcel(s) was created. The City Engineer may require a certificate of compliance to verify conformance with this requirement.

C. Vacant parcel. A parcel located within the Single-Family (R-1) Residential Zoning District or a legacy zoning district with a low density residential General Plan land use designation, shall only be eligible for a starter home project if it will meet the definition of "vacant," as provided in this interim ordinance, no later than the date of recordation of a final map or issuance of a building permit, whichever occurs first.

D. Lot area. The parcel(s) does not exceed the following net lot areas, based on the applicable zoning district:

1. If located within a multi-family residential or mixed-use zoning district: Five (5) acres; or
2. If located within the Single-Family (R-1) Residential zoning district: One and one-half (1½) acres.

E. Substantially surrounded by qualified urban uses. The parcel(s) abuts, or is separated only by an improved public right-of-way from, existing residential, commercial, institutional, public, retail, or transit uses (e.g., light rail lines or passenger terminals) along at least 75 percent of the lot's perimeter. The remaining portion must abut, or be similarly separated from, properties designated for such uses in the General Plan.

F. Prior subdivisions. The parcel(s) was not created pursuant to Government Code Sections 66411.7 or 66499.41, in accordance with Chapter 20.14 (Urban Lot Splits) and this interim ordinance, respectively, including any designated remainder parcel, as defined herein.

G. Ellis Act. The parcel(s) is one in which an owner of residential real property has not exercised their rights under Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 of the Government Code to withdraw accommodations from rent or lease within 15 years before the date of application for a starter home project.

H. Hazardous waste site. The parcel(s) is not identified as a hazardous waste site pursuant to Government Code Section 65962.5 or a hazardous waste site

designated by the Department of Toxic Substances Control pursuant to Health and Safety Code Section 25356.

Exception: This restriction shall not apply where the parcel has been cleared for residential use or mixed-use development by the Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control.

I. **Flood zone**. The parcel(s) is not located within a special flood hazard area or a regulatory floodway, as shown on official maps published by the Federal Emergency Management Agency (FEMA).

Exception: This restriction shall not apply where FEMA has issued a Letter of Map Revision (LOMR) or Letter of Map Amendment (LOMA) for the parcel(s), where the starter home project is constructed in compliance with Chapter 21.22 (Flood Damage Prevention), or where a no-rise certification has been granted in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations.

J. **Earthquake fault zone.** The parcel(s) is not located within a delineated earthquake fault zone, as identified in official maps published by the California Geological Survey.

Exception: This restriction shall not apply if the development complies with applicable seismic protection building code standards, including those adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5, commencing with Section 18901, of Division 13 of the Health and Safety Code) and Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2 of the Government Code, as determined by the Building Official.

K. **Natural habitat**. The parcel(s) is not recognized by the City as a habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Section 1531 et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

L. **Fire hazard severity zone**. The parcel(s) is not located within either (a) a very high fire hazard severity zone, as designated by the Department of Forestry and Fire Protection pursuant to Government Code Section 51178, or (b) a high or very high fire hazard severity zone as shown on maps adopted by the Department pursuant to Public Resources Code Section 4202.

M. **Community conservation plan**. The parcel(s) is not located on land identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan, or subject to a conservation easement.

N. **Demolished housing**. For a parcel(s) where a prior dwelling unit(s) was demolished within the last five years, the demolished unit(s) was not occupied by a tenant at any time during the five years preceding the date of the starter home project application. The date of demolition shall be either the date a demolition permit was issued or the date the City documented that an unlawful demolition was performed without a permit.

Exception: This restriction shall not apply to housing that was destroyed by earthquake, fire, flood, wind, or other calamity or act of God or the public enemy, clearly beyond the control of the property owner, as determined by the Building Official.

SECTION 5 (PROJECT ELIGIBILITY). A starter home project shall only qualify for approval under this interim ordinance if the following eligibility requirements are satisfied. An application not eligible for approval as a starter home project shall not be accepted by the Community Development Director pursuant to Section 21.38.040.E (Community Development Director's determination).

A. **Number of units**. The starter home project includes no more than ten primary dwelling units, excluding any junior accessory dwelling units.

B. **Number of lots**. The starter home project results in at least two, but no more than ten new lots, excluding common lots and any designated remainder parcel. For the purposes of this section, the term "lots" includes residential condominiums.

C. **Minimum density**. The starter home project satisfies the following minimum densities, as applicable.

1. Housing opportunity sites. For parcels identified as housing opportunity sites in the City's Housing Element, the starter home project results in at least as many primary dwelling units as projected in the Housing Element, provided the number projected is ten or fewer. If the parcel is identified to accommodate low- or very low-income households, the project includes at least as many low- or very low-income units as projected, subject to a recorded affordability restriction for a period of 55 years in accordance with Chapter 21.24 (Inclusionary Housing Ordinance).

2. All other sites. For parcels not identified as housing opportunity sites in the Housing Element, the starter home project results in a number of primary dwelling units needed to achieve a density equal to the greater of the following, excluding the lot area of any designated remainder parcel from the calculation:

    a. Sixty-six percent (66%) of the maximum allowable residential density for the parcel as established by the General Plan; or

    b. 19.8 units per gross acre, as sixty-six percent (66%) of the default density specified in Government Code Section 65583.2(c)(3)(B).

D. **Replacement housing**. If the starter home project includes demolition of existing dwelling units, other than those prohibited by subsection F (Existing housing), the project will create at least as many new residential dwelling units as will be demolished, in compliance with Government Code Section 66300.6.

E. **Density bonus**. The starter home project does not utilize Density Bonus Law pursuant to Government Code Section 65915 in a manner that results in more than ten primary dwelling units, including any density bonus units, or that includes requested waivers, concessions, or incentives that conflict with any requirement or standard mandated by Government Code Sections 65852.28, 65913.4.5, or 66499.41, or that would otherwise be contrary to state or federal law.

F. **Existing housing**. The starter home project does not result in the demolition or alteration of any of the following types of housing:

1. Housing that is subject to a recorded covenant, ordinance, or law that restricts rent or sale price to levels affordable to persons and families of low-, very low-, or extremely low-income;
2. Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power; or
3. Housing that was occupied by tenants at any time within the five years preceding the date of the application for the starter home project, including housing that has been demolished or that tenants vacated prior to the application submission date.

SECTION 6 (OBJECTIVE STANDARDS). A starter home project shall comply with the following objective standards, except as provided by Section 7 (Exceptions to objective standards). Standards provided elsewhere in the Multi-Family Development Design Standards (MFDDS), adopted pursuant to Chapter 21.07 (Housing Development Regulations), not expressly identified in this section, shall not apply.

A. **Subdivision standards**. The subdivision proposed by a starter home project shall comply with Title 20 (Subdivisions and Land Development), including interim Chapter 20.13 (Subdivision Standards) and interim Section 20.16.030 (Action on tentative parcel maps), and the following objective standards.

1. Minimum net lot area. The subdivision shall result in lots that meet the following minimum net lot area requirements:
    a. New lots, excluding common lots, created from a parcel in a multi-family residential or mixed-use zoning district shall have a minimum net lot area of 600 square feet.
    b. New lots, excluding common lots, created from a vacant parcel in the Single-Family (R-1) Residential Zoning District shall have a minimum net lot area of 1,200 square feet.
2. Form of subdivision. The subdivision shall result in one of the following ownership forms:
    a. Fee simple ownership lots;

b. Common interest developments (including community apartment projects, condominium projects, planned developments, and stock cooperatives, as defined in Civil Code Section 4100);

c. Interests in a housing cooperative, as defined in Civil Code Section 817;

d. Lots owned by a community land trust, as defined in Government Code Section 66499.41(a)(4)(D); or

e. Interest in a tenancy in common, as described in Civil Code Section 685.

3. Map Act compliance. The subdivision shall conform to all applicable objective requirements of the Subdivision Map Act, except as otherwise expressly provided in this interim ordinance and Government Code Section 66499.41.

4. Utility access. Each new lot shall be served by the local water purveyor and the sanitation district.

5. Preservation of existing dwelling ownership. To ensure unified ownership of existing dwelling units is maintained, and in accordance with Government Code Section 66499.41(a)(13), the subdivision shall not result in any existing dwelling unit on the parcel being transferred or sold under a separate ownership title from any other existing dwelling unit on the same parcel. Examples of non-compliant subdivisions include, but are not limited to: (1) subdividing a parcel to create separate ownership titles for existing dwelling units, allowing them to be sold independently; (2) dividing a parcel with multiple detached units into separate parcels, each with its own title, permitting individual sales; and (3) converting existing rental units into condominiums, resulting in separate ownership titles for each unit.

B. Zoning standards. The primary dwelling units proposed by a starter home project shall comply with the general development standards provided by Table 1 (Starter Home Project Development Standards):

Table 1
(Starter Home Project Development Standards)

<table>
<tr><th colspan="3">Development Standards</th><th>Requirement (1) (2)</th></tr>
<tr><td rowspan="5">Minimum Setbacks from Original Lot Lines (3)</td><td rowspan="2">Front</td><td>Primary Dwelling Unit</td><td>As specified by the applicable form-based-zone in MFDDS Chapter 3 (Sections 3.030 through 3.090), subsection '5' (Building Placement)</td></tr>
<tr><td>Parking Facilities (4)</td><td>As specified by the applicable form-based-zone in MFDDS Chapter 3 (Sections 3.030 through 3.090), subsection '7' (Parking), except that the front setback shall be reduced to 25 feet.</td></tr>
<tr><td colspan="2">Interior Side</td><td rowspan="3">4 feet</td></tr>
<tr><td colspan="2">Rear</td></tr>
<tr><td colspan="2">Street Side</td></tr>
</table>

<table>
<tr><td rowspan="4">Minimum Setbacks from New Lot Lines (3) (5)</td><td rowspan="2">Front</td><td>Primary Dwelling Unit</td><td>As specified by the applicable form-based-zone in MFDDS Chapter 3 (Sections 3.030 through 3.090), subsection '5' (Building Placement) (6)</td></tr>
<tr><td>Parking Facilities (4)</td><td>As specified by the applicable form-based-zone in MFDDS Chapter 3 (Sections 3.030 through 3.090), subsection '7' (Parking), except that the front setback shall be reduced to 25 feet.</td></tr>
<tr><td colspan="2">Interior Side (when between dwelling units) (7)
Rear (when between dwelling units) (7)</td><td>None, except as otherwise required by the California Building Code</td></tr>
<tr><td colspan="2">Street Side</td><td>4 feet</td></tr>
<tr><td rowspan="4">Height Limitations - Primary Dwelling Units (8)</td><td colspan="2">Maximum Number of Stories
Maximum Overall Building Height</td><td>As specified by the applicable form-based-zone in MFDDS Chapter 3 (Sections 3.030 through 3.090), subsection '4' (Building Form)</td></tr>
<tr><td colspan="2">Maximum Eave/Parapet Height
Minimum Ground Floor Finish Level
Minimum Floor-to-Floor (Ground Floor) Height</td><td>No Maximum</td></tr>
<tr><td rowspan="2">Building Intensity Limitations</td><td colspan="2">Maximum Floor Area
Maximum Lot Coverage</td><td>No Maximum</td></tr>
<tr><td colspan="3">Separation Between Primary Dwelling Units and Accessory Structures</td><td>As specified by Campbell Municipal Code Section 21.36.020 (Accessory structures)</td></tr>
<tr><td colspan="3">Minimum Open Space</td><td>Not Applicable</td></tr>
<tr><td rowspan="2">Living Area</td><td colspan="2">Minimum (each unit)</td><td>150 square feet, subject to the restrictions specified by Health and Safety Code Section 17958.1</td></tr>
<tr><td colspan="2">Maximum (average)</td><td>1,750 square feet (9)</td></tr>
</table>

Notes:

1. Where a reference to the Multi-Family Development Design Standards (MFDDS) is provided, the standard shall apply to a lot line, rather than a design site line.
2. Starter home projects located in the Single-Family (R-1) Residential zoning district shall be assigned a presumed form-based-zone designation of T3 Neighborhood (T3N) in accordance with MFDDS § 2.040 (Relationships between zones in general plan land use designations), as the most restrictive form-based zone assigned to land uses of comparable density.
3. See Section 21.18.040.B (Exceptions) for applicable exceptions to setback and building separation distance requirements.
4. Applies to the vehicular entry to garages, carports, and uncovered parking stalls, measured perpendicularly from the public right-of-way to the nearest point of the garage door, the threshold of a carport or garage entry (without doors), or the outer edge of a parking stall, respectively. All other applicable setbacks continue to apply to these parking facilities. This setback does not apply to parking facilities with vehicular entries that are angled or parallel to the public right-of-way.

5. New lot lines include those proposed by a tentative map, as well as lot lines resulting from dedication of public right-of-way required pursuant to Chapter 11.24 (Street Improvements).
6. If a new front lot line is created as a result of a public right-of-way dedication pursuant to Chapter 11.24 (Street Improvements), the minimum front setback shall be reduced by an amount equal to the depth of the land required to be dedicated along that frontage
7. In the event a new side or rear lot line is created that is not located between dwelling units, a minimum setback of 4 feet shall apply
8. See Section 21.18.050 (Exceptions to height provisions) for applicable exceptions to the maximum height standard.
9. The average total living area shall be calculated by dividing the combined living area of all units in the starter home project by the total number of primary dwelling units.

C. Site development standards. Starter home projects shall comply with the applicable standards contained in Chapter 21.18 (Site Development Standards), Chapter 21.26 (Landscaping), Chapter 21.28 (Parking and Loading), and Chapter 21.32 (Tree Protection Regulations), except as modified or supplemented by the Multi-Family Development Design Standards (MFDDS) as specified below:

1. Fences and screens. Fences and screening shall comply with MFDDS Section 4.020 (Screening).
2. Landscaping and lighting. Landscaping and lighting shall comply with MFDDS Section 4.030 (Landscaping and Lighting), except that the tree preservation requirements of Chapter 21.32 (Tree Protection Regulations) shall not apply to any tree with a diameter (DBH) of 24 inches or less.
3. Parking. Parking facilities shall comply with MFDDS Section 4.040 (Parking and Loading), except that no more than one parking space (covered or uncovered) per primary dwelling unit shall be required for parcels that are not otherwise exempt from parking requirements under Section 21.28.045.A (Projects located within one-half mile of public transit).
4. Utilities and equipment. Utilities, equipment, and waste storage areas shall comply with MFDDS Section 4.050 (Service and Utility Standards), except that the requirement to replace overhead utility lines with new underground services, as provided in Section 21.18.140.B.2 (Frontage lines and poles), shall not apply.

D. Design standards. The design requirements of MFDDS Chapters 5 (Specific to Building Types), Chapter 6 (Specific to Private Frontage Types), and Chapter 7 (Architectural Standards) shall not apply to starter home projects, except for the bird-safe window treatment requirement specified in MFDDS Section 7.080 (Bird Safety), excluding subsection 1.B.

E. Other standards. In addition to the subdivision, zoning, and design standards set forth in this section, applications for starter home projects shall demonstrate compliance with the following general applicable requirements:

1. Accessibility. For starter home projects that include three or more dwelling units, accessible paths of travel, parking stalls, and adaptable dwelling units shall comply with the applicable provisions of California Building Code

Chapter 11A, including Section 1102A.3.1. All ground floor dwelling units in buildings without elevators shall be designed as adaptable, incorporating features such as accessible entries, maneuvering clearances, and bathroom and kitchen configurations capable of future accessibility upgrades.

2. Accessory dwelling units. In accordance with Government Code Section 66499.41(g), accessory dwelling units shall not be permitted. However, one junior accessory dwelling unit is allowed per primary dwelling unit, provided it is located entirely within the living area of the associated primary dwelling unit.
3. Stormwater management. The type, location, and design of site design measures, source control measures, and stormwater treatment measures shall comply with Chapter 14.02 (Stormwater Pollution Control) and interim Chapter 20.13 (Subdivision Standards).

SECTION 7 (EXCEPTIONS TO OBJECTIVE STANDARDS). If any objective standards required by this interim ordinance, but not otherwise mandated or authorized under Government Code Sections 65852.28, 65913.4.5, or 66499.41, would have the effect of physically precluding a starter home project from achieving a density of up to 30 dwelling units per gross acre, the Community Development Director shall grant an exception as specified below.

A. Request. A request for an exception shall be explicitly included in the application for a starter home project.

B. Fee. A request for an exception shall be subject to a fee as established by the City's Schedule of Fees and Charges.

C. Determination. The Community Development Director shall grant an exception only to the minimum extent necessary to remove a physical constraint that would otherwise prevent the starter home project from achieving the number of primary dwelling units resulting from a density of no greater than 30 dwelling units per gross acre. An exception shall not be granted if the starter home project can feasibly be redesigned to comply with the objective standards of this interim ordinance while still achieving the allowable number of primary dwelling units with an average living area of 1,750 square feet per unit, without requiring a change from the proposed building type (e.g., townhomes, detached single family).

D. Remedy. If a disagreement arises regarding the Community Development Director's application of this section, the procedures for interpretations in Section 21.02.030 (Procedures for interpretations) shall apply, including provisions for appeal.

SECTION 8 (GENERAL REQUIREMENTS AND RESTRICTIONS). The following requirements and restrictions are generally applicable to all housing development projects and may be imposed as conditions of approval by the Community Development Director, as applicable.

A. **Acoustical studies**. An acoustical study shall be submitted and its recommendations incorporated into the construction drawings, in compliance with Section 21.16.070 (Noise) and the Noise Element of the General Plan, prior to building permit issuance.

B. **Air quality reports**. An air quality report shall be submitted and its recommendations incorporated into the construction drawings, in compliance with General Plan Action COS-10.b, prior to building permit issuance.

C. **Building and Fire Codes**. Title 18 (Building Codes and Regulations) and Title 17 (Fire Protection), incorporating the California Building Code and California Fire Code, apply to all starter home projects.

D. **Construction Management Plan**. Prior to issuance of a building permit, a construction management plan defining best management practices to reduce construction noise and identifying proposed truck routes, in accordance with General Plan Action N-1.11, shall be provided.

E. **Density bonus**. If the starter home project utilizes Density Bonus Law pursuant to Government Code Section 65915, an affordable housing agreement, in accordance with Chapter 21.20 (Density Bonus and Other Incentives), shall be recorded prior to final map recordation.

F. **Encroachment permits.** Separate encroachment permits shall be required for the installation of utilities serving the starter home project, or as otherwise required by the City Engineer. Applicants shall apply for and pay all applicable fees for sanitary sewer, water, electric, and other utility work.

G. **Homeowners' association**. If a starter home project includes a common ownership lot or otherwise constitutes a common interest development, a homeowners' association shall be established in accordance with the Davis-Stirling Common Interest Development Act (Part 5, commencing with Section 4000, of Division 4 of the Civil Code). A draft of Covenants, Conditions, and Restrictions (CC&Rs) shall be submitted for review and approval by the City Attorney prior to final map recordation.

H. **Inclusionary housing**. In accordance with Government Code Section 66499.41(a)(7), the applicant shall provide affordable housing units or pay a fee in-lieu as may be required by Chapter 21.24 (Inclusionary Housing Ordinance), as well as any low- or very low-income units required by Section 21.25.050(C)(1) (Minimum density), as specified in Government Code Section 66499.41(a)(5)(A). An inclusionary housing agreement shall be recorded prior to final map recordation.

I. **Landscaping maintenance**. All landscaping shall be maintained in compliance with Section 21.26.040 (Landscaping maintenance requirements) and Section 21.16.110.C.2 (Landscape maintenance).

J. **Park impact fee**. A fee in-lieu of parkland dedication shall be paid in association with the creation of each new lot in compliance with Chapter 20.24 (Park Impact Fees and Park Land Dedication Subdivisions).

K. **Private maintenance agreements**. If a homeowners' association is not required, and shared maintenance of access ways, utilities, or other private infrastructure is necessary, a private maintenance agreement, road maintenance agreement, or other mechanism acceptable to the City Attorney shall be recorded prior to issuance of a certificate of occupancy, consistent with Government Code Section 66499.41(b)(2).

L. **Public improvements and dedications**. The City Engineer may require the installation of public improvements and right-of-way dedications consistent with City standard specifications, to be provided in compliance with Chapter 11.24 (Street Improvements). A street improvement agreement obligating the installation of such improvements shall be recorded prior to final map recordation.

M. **Site maintenance**. All exterior areas of the project site shall be kept free from graffiti, trash, rubbish, and litter in compliance with Section 21.16.110 (Site maintenance).

N. **Urban lot splits**. New lots created by a starter home project shall not be further subdivided pursuant to Chapter 20.14 (Urban Lot Splits), consistent with Government Code Section 66499.41(h)(1). The Community Development Director shall require recordation of a deed restriction on each new lot created by the starter home project to document this restriction.

O. **Waste management**. Refuse and recycling receptacles shall be kept within the solid waste storage area except during collection, in accordance with Chapter 6.04 (Discarded Materials and Excluded Waste Management).

SECTION 9 (APPLICATION PROCESS). Applications for starter home projects shall be submitted and processed in compliance with the following requirements:

A. **Application types**. Starter home projects shall be reviewed ministerially by the Community Development Director through concurrent consideration of a tentative map application for the proposed subdivision and a Zoning Clearance application for the housing development project to be constructed in conjunction with the subdivision. The permitting provisions of Chapter 21.42 (Site and Architectural Review) and Chapter 21.07 (Housing Development Regulations) shall not apply.

B. **Application filing**. Applications for starter home projects shall be filed concurrently with the Community Development Department, in accordance with Chapter 21.38 (Application Filing, Processing, and Fees).

C. **Review process**. The Community Development Director shall ministerially review applications for starter home projects in accordance with Chapter 21.39 (Ministerial Approvals). If the Community Development Director determines that the starter home project is eligible for approval and complies with the objective standards and general requirements of State law and this interim ordinance, as applicable, the Zoning Clearance and tentative map shall be approved.

D. **Conditions of approval**. Approval of a starter home project may include standard conditions of approval that are objective, non-discretionary, and uniformly applicable

to housing development projects, as necessary to fulfill the requirements of this interim ordinance or any other applicable provision of the Municipal Code.

E. **Approval expiration**. Approval of a Zoning Clearance application and associated tentative map shall be valid for two years. Within this period, either the final map shall be recorded with the Office of the Santa Clara County Clerk-Recorder or a building permit for the starter home project shall be issued, in accordance with Section 21.56.030 (Permit time limits and extensions).

F. **Disapproval**. The Community Development Director may disapprove a starter home project that meets the requirements of this interim ordinance only if a written finding is made, based on a preponderance of the evidence, that the project would result in a specific, adverse impact on public health or safety, as defined in Government Code Section 65589.5(d)(2), and that no feasible method exists to satisfactorily mitigate or avoid the impact.

SECTION 10 (PROJECTS DEEMED APPROVED). If the City fails to approve the completed applications for a starter home project with sixty (60) days, and the project is deemed approved by operation of law, all applicable objective standards of this interim ordinance shall apply as conditions of approval. These standards shall apply to the same extent as if the project were approved ministerially pursuant to this interim ordinance.

SECTION 11 (EARLY BUILDING PERMIT ISSUANCE). Notwithstanding Section 21.56.050 (Issuance of Building Permits), the Building Official shall issue a building permit for one or more primary dwelling units in a starter home project prior to recordation of a parcel map or tract map, provided the following criteria are met and the issuance is consistent with Government Code Section 65913.4.5.

A. **Approved project**. The starter home project has been approved by the Community Development Director.

B. **Complete building permit application**. A building permit application has been deemed complete by the Building Official pursuant to Government Code Section 65913.3(b).

C. **Covenant and agreement**. The property owner has executed and recorded a covenant and agreement, in a form acceptable to the City Attorney, stating that no final inspection, certificate of occupancy, or temporary certificate of occupancy shall be granted for any dwelling constructed under an early-issued building permit until the final map is recorded. The covenant and agreement shall be binding upon the property owner and all successors in interest.

D. **Security**. Any required right-of-way improvements or dedications imposed as a condition of the Community Development Director's approval of a starter home project shall, to the satisfaction of the City Engineer, be secured by a bond or letter of credit as follows:

1. Amount. The bond or letter of credit shall be in an amount equal to three hundred percent (300%) of the City Engineer's estimated value of the required improvements.

2. Timing. The bond or letter of credit shall be provided prior to issuance of a building permit.
3. Release. Upon completion of the required right-of-way improvements and/or dedications, the City Engineer shall release the bond or letter of credit and provide written documentation confirming that the property owner's obligation has been fulfilled.
4. Form of surety. Letters of credit and performance bonds shall satisfy the following requirements:
    a. Letters of credit shall be issued by a financial institution regulated by a state or federal agency and shall certify that the funds necessary to complete the required right-of-way improvements or dedications are on deposit and guaranteed for payment. An instrument of credit issued by a state, federal, or local government agency may also be accepted, provided the agency is financing at least twenty percent (20%) of the cost of the required improvements or dedications.
    b. Performance bonds shall be issued by one or more duly authorized corporate sureties and shall guarantee the required public improvements and/or right-of-way dedications.

E. Denial. Notwithstanding the provisions of this section, the Building Official may deny the issuance of a building permit prior to recordation of a final map by making a written finding, based upon a preponderance of the evidence, that construction of the proposed structure or structures before recordation of the final map would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of Government Code Section 65589.5, upon public health and safety and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

SECTION 12 (SALE, LEASE, AND FINANCING RESTRICTIONS): To ensure coordinated development and compliance with Government Code Section 66499.41(e) this section establishes limits on the sale, lease, or financing of newly created parcels within a starter home project.

A. Restriction. No parcel created through a starter home project may be sold, leased, or separately financed until a dwelling unit has been constructed on the parcel and approved for occupancy.

B. Exceptions. This restriction does not apply to the following types of parcels:

1. Parcels that contain an existing legally permitted dwelling unit;
2. Parcels reserved for internal circulation, open space, or other common areas;
3. The single remaining parcel in the starter home project, provided that all other parcels have been developed with a dwelling unit completed in compliance with all applicable provisions of the California Building Standards Code;

4. Designated remainder parcels, as defined herein, subject to obtaining a certificate of compliance or conditional certificate of compliance; or
5. Parcels, as identified on a recorded final map, for which a condition of the Community Development Director's approval of a starter home project expressly authorizes sale, lease, or financing prior to construction of a dwelling unit, subject to any limitations specified therein.

C. **Implementation**. The Community Development Director shall require, as a condition of starter home project approval, that the restrictions of this section be identified on the final map.

D. **Violation**. A sale, lease, or financing action in violation of this section shall constitute an illegal subdivision under the Subdivision Map Act and may be subject to the penalties and remedies provided in Chapter 7 (commencing with Section 66499.30) of the Government Code, including civil or criminal action by the City, the withholding of a certificate of occupancy, and the imposition of penalties or liens.

SECTION 13 (SEVERABILITY): If any section, subsection, sentence, clause, or phrase of this interim ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the interim ordinance. The City Council hereby declares that it would have passed this interim ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 14 (STATE LAW). Any provision of this interim ordinance which is inconsistent with Sections 65852.28, 65913.4.5, and 66499.41 of the California Government Code shall be interpreted in a manner which is the most limiting on the ability to allow construction of two units to effectuate an urban lot split, but which is consistent with State law. The provisions of this interim ordinance shall supersede and take precedence over any inconsistent provision of the Campbell Municipal Code to that extent necessary to effect the provisions of this interim ordinance for the duration of its effectiveness.

SECTION 15 (REPEAL OF PRIOR INTERIM ORDINANCE): Interim Ordinance No. 2332 is hereby repealed and shall have no further force or effect upon the adoption of this interim ordinance.

SECTION 16 (PUBLICATION): The City Clerk shall cause this interim ordinance or a summary thereof to be published at least once in a newspaper of general circulation within 15 days after its adoption in accordance with Government Code Section 36933.

SECTION 17 (EFFECTIVENESS): This interim ordinance shall become effective immediately upon adoption for a period of 45 days, unless extended by the City Council.

PASSED AND ADOPTED this 4th day of August, 2025 by the following roll call vote:

AYES: Councilmembers: Bybee, Hines, Furtado, Lopez
NOES: Councilmembers: None
ABSENT: Councilmembers: Scozzola

APPROVED:

Sergio Lopez, Mayor

ATTEST:

Andrea Sanders, City Clerk