



Senator Scott Wiener, 11th Senate District

Senate Bill 35 – *Housing For A Growing California:* Housing Accountability & Affordability Act

SUMMARY

Senate Bill 35 ensures that all communities in California create the housing we desperately need to address our statewide housing shortage, and spur the creation of affordable housing in California by streamlining the approval process.

BACKGROUND/EXISTING LAW

California is in the depths of a housing shortage. Our State's housing production has not kept pace with population growth, particularly for low and middle income residents. California households in the bottom quarter of the income distribution—the poorest 25 percent of households—report spending four times more of their income (67 percent, on average) than households in the top quarter of the income distribution (16 percent, on average).

Every 8 years, each California city receives a Regional Housing Needs Assessment (RHNA) goal from the Department of Housing and Community Development (HCD) for how many future units of housing the city must include in its zoning plan. However, HCD cannot require cities to follow through with producing the housing in their own zoning plan, and too many communities either ignore RHNA or make inadequate efforts to comply with it. HCD does not comprehensively track housing production data.

PROBLEM

The negative impacts of California's housing shortage threaten our state's economic growth, environmental well-being, and diversity. It is far too expensive to rent or buy a home in California, which results in displacement, evictions, and families being pushed out as they grow. Teachers, retail workers, first responders, and other middle-income professionals often have crushing commutes as they increasingly cannot afford to live near their jobs.

California has a long tradition of broad local control, and in many areas, local communities are in the best position to judge what makes sense for their residents. However, when local communities refuse to create enough housing—instead punting housing creation to other communities—then the State needs to

ensure that all communities are equitably contributing to regional housing needs. Local control must be about how a community meets its housing goals, not whether it meets those goals. Too many communities either ignore their housing goals or set up processes designed to impede housing creation.

Allowing local communities to ignore their responsibility to create housing has led to a housing disaster—triggering huge economic, environmental, and social problems.

SOLUTION

Under SB 35, as amended, cities that are on track to meet their RHNA housing production goals at all income levels will retain full local control over how they approve housing. When cities do not meet their housing obligations, approval of qualified housing projects will be streamlined until cities do meet their goals.

For streamlining to apply, a project must include housing for certain income levels where there is a shortage of production, pay a prevailing wage for construction labor, and meet all objective affordability, density, zoning, historic, and environmental standards outlined in the bill.

The new, streamlined approval process will require localities to approve projects only on the basis of whether the project complies with the objective SB 35 qualifying criteria and pass design review. The streamlined process applies only when unmet income-based categories are addressed. For example, if a city is meeting its market rate housing RHNA goals but not its low income housing goals, streamlining will apply only to those projects that add low income units.

This bill also requires all charter cities to report their annual housing production to HCD, and will require HCD to ensure housing production data is detailed, up-to-date, and publicly accessible on the internet. Currently, general law cities must report their housing production, but charter cities and city/counties are not required by law to do so.

FOR MORE INFORMATION

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