Perhaps <u>the biggest topic</u> in land-use law and housing affordability in California <u>over the</u> <u>past couple of months</u> has been <u>a piece of legislation</u> introduced by State Senator Wiener, <u>SB 827</u>. Ethan has blogged quite <u>a bit about the bill</u> – the basic concept of the legislation is to eliminate or significantly restrict a number of local land-use regulations on residential construction in areas that have good transit service (e.g., near rail stations and frequent bus lines). Among the local land-use regulations that might be wiped out are restrictions on density, restrictions on height (below an overall maximum) and parking requirements. Whatever its merits or demerits, if enacted SB 827 could enable a <u>significant increase in housing production</u> in California.

SB 827 has inspired a great deal of political activity across the state – including becoming <u>a</u> <u>major issue in the SF mayor's race</u>. It has also become an issue in the California governor's race, and here something interesting is occurring. Both of the Republican candidates for governor <u>have come out against SB 827</u> – one of them on the grounds that it isn't actually deregulation (the quote is from the Sac Bee article linked above):

Both Republicans in the race have said unequivocally that they're against it.

"I'm opposed to a one-sized-fits-all solution from the state," Cox said Sunday. "The only way to get more housing is to reduce the regulations. The only way to bring down the cost of housing is more supply."

Assemblyman Travis Allen, R-Huntington Beach, thinks Wiener's whole concept is misguided.

"What Californians want are more single-family homes. What Californians want is a front yard and a backyard," Allen said. "We have to return more power to our local jurisdictions, not take the power away from them."

This position from Cox (the current Republican front-runner) in particular is odd, since SB 827 does "reduce the regulation[]" of land-use. Moreover, Cox likes to brag about how if elected he <u>would wipe out environmental laws like the California Environmental Quality Act</u> (CEQA) to encourage housing construction. I think we can learn something important from the apparent intellectual confusion among our Republican gubernatorial candidates. (In fairness, it appears that all of the candidates, Democratic and Republican, except Newsom oppose SB 827. More on that later, perhaps...)

Repealing CEQA would probably have a wide range of impacts - though as I've noted in an

<u>earlier blog post</u>, it's unclear if it would do much to facilitate infill urban development. What it likely would do, however, is facilitate substantial greenfield development – in other words sprawl. That would bring economic rewards to the developers and landowners who undertake those projects, and might increase the tax base of the exurban communities that would grow. It might also produce enough housing to reduce housing costs somewhat – though at the expense of <u>brutal commutes</u> for the people who live in those homes.

On the other hand, SB 827 means that lots of wealthy neighborhoods with single-family homes suddenly might be open to a lot more dense development. (See this <u>useful LA Times</u> <u>analysis</u> of an earlier version of SB 827 for an example.) Compared to CEQA, local land-use regulations may be a much more substantial barrier to this kind of infill urban development. That development, which zoning has long kept out of these neighborhoods, might have significant impacts on property values, and also lead to a lot of change in who lives in the neighborhood. As others have noted, single-family zoning is <u>a useful way to keep out people</u> with lower incomes and minorities. (Again, my goal here is not to endorse or reject SB 827 – there are a range of other pros and cons that come into play here as well. For instance, there are concerns by many community groups that SB 827 will facilitate gentrification and displacement, though there are differences of opinion on whether that should lead fair housing advocates to oppose the legislation.)

What seems to be going on here? The positive term "deregulation" is used by political actors not really to refer to more or less regulation – but instead, as a shorthand to helping people whose votes you want. If you're a GOP candidate, that means you want support from developers and landowners, and you may also be looking for support from wealthy homeowners who might be worried about what infill development will bring. So next time you hear a politician say they are opposed to "regulation" or call for "regulatory reform," you should ask what they mean by regulation in the first place, and who they are trying to help.