Housing policy is at the center of all of our major societal problems in the United States:

- Care about racial justice? Restrictive housing and land use policies are responsible for our deeply segregated towns and cities.
- Climate change? Bad housing policies are the reason why so many people are forced into long, emission-spewing commutes, because they can't afford to live close to their jobs.
- Economic inequality? Inflated home prices and rents increasingly force middle- and low-income residents into low-opportunity areas, while shutting them out of the wealth-generating possibilities of home ownership. Just to name a few issues affected by housing.

So why can't we address the high cost of housing, particularly near transit and jobs? There are two culprits: high-income homeowners who support exclusionary local land use policies that restrict housing supply, which prevents others from moving into their communities and deprives them of the educational and economic opportunities that come with living in these areas. Second, the state and federal government is unwilling to provide sufficient public subsidies for affordable housing (though the scale of the need at this point is simply massive, especially given the country's inability to build housing at a reasonable price).

Perhaps with these dynamics in mind, then-Lieutenant Governor Gavin Newsom campaigned for governor in 2018 on a promise of building 3.5 million new housing units to address the state's severe housing shortfall. But after two legislative sessions, the Governor so far has no meaningful legislative accomplishments on increasing housing production. Like 2019, the just-concluded 2020 legislative session proved to be a bust (yes, Covid-19 interfered, but housing was one of the few remaining priorities that the legislature was committed to addressing this year).

Here are the gory details of the housing bills from the original legislative "housing package" in January that did not survive:

## **Assembly defeats:**

- AB 1279 (Bloom): would have identified high-resource areas with strong indicators of exclusionary patterns and require zoning overrides to encourage production of smallscale market-rate housing projects and larger-scale mixed-income affordable projects.
- AB 2323 (Friedman): would have expanded CEQA infill exemptions to projects in lowvehicle miles traveled (VMT) areas.
- AB 3040 (Chiu): would have incentivized cities to upzone to allow for fourplexes in

- <u>AB 3107</u> (Bloom): would have allowed streamlined rezoning of commercial land for housing.
- <u>AB 3279</u> (Friedman): would have amended administrative and judicial review for various projects under the California Environmental Quality Act (CEQA).

## **Senate defeats:**

- <u>SB 899</u> (Wiener): would have streamlined review for religious institutions seeking to build housing on their property.
- <u>SB 902</u> (Wiener): would have streamlined approval for up to 10 housing units per parcel near transit.
- <u>SB 995</u> (Atkins): would have fast-tracked CEQA review for environmentally beneficial infill projects.
- <u>SB 1085</u> (Skinner): would have expanded density bonus law by allowing rental housing developers to increase the size of their projects 35% if at least 20% of the units were moderately priced (rent at 30% below market rate for the area).
- <u>SB 1120</u> (Atkins): would have allowed two homes on every property zoned for single-family homes in California; would have also allowed single-family properties to be split into two lots.
- <u>SB 1385</u> (Caballero): would have made it easier to rezone commercial land for housing and streamline approval for projects on that land.
- <u>SB 1410</u> (Caballero): would have provided rental relief through tax credits to landlords to fill unpaid rent.

It's also worth reiterating that the senate <u>voted down</u> in January an amended version of <u>Senate Bill 50</u> (Wiener), which would have reduced local restrictions on apartments near major transit and jobs.

And strangely, SB 995, SB 1085, and SB 1120 all passed the Assembly at the last minute, but Assembly Speaker Anthony Rendon scheduled the vote too late for a concurrence vote in the Senate. As a result, the bills died.

But the news was not all bad. Some housing bills did pass, including:

- AB 725 (Wicks): requires that no more than 75 percent of a city's regionally assigned above-moderate income housing quota can be accommodated by zoning exclusively for single-family homes, with the remainder on sites with at least 4 units.
- AB 1851 (Wicks): requires local governments to approve a faith-based organization's

request to build affordable housing on their lots and allows faith-based organizations to reduce or eliminate parking requirements.

- AB 2345 (Gonzalez): increases the density bonus and the number of incentives available for a qualifying housing project.
- SB 288 (Wiener): temporarily exempts from CEQA review infill projects like bike lanes, transit, bus-only lanes, EV charging, and local actions to reduce parking minimums, among others, until 2023 (disclosure: I helped Assemblymember Laura Friedman and Assembly Natural Resources Committee chief consultant Lawrence Lingbloom draft the parking provision, along with Mott Smith of the Council of Infill Builders).

So there we have it in 2020. A few successes, but mostly a wipeout. Perhaps recognizing the urgency after two failed sessions, Governor Newsom appeared last week to offer something of a belated endorsement of SB 50 and SB 1120, two of the more consequential bills that failed in the legislature this year:

At Housing California, Governor Newsom today praises SB 50 and says that nothing about SB 1120's demise prevents us from picking that bill up again, which he calls important.

— Louis Mirante (@louismirante) September 2, 2020

But absent strong leadership from the Governor's office and legislative leaders, this pattern of failure on housing production will likely continue, exacerbating all the challenges I discussed above that are affected by dysfunctional housing policy. That means we can expect worsening racial injustice and segregation, greenhouse gas emissions, and economic inequality, to name just a few, until the state can finally, meaningfully address this problem.