(This climate issue brief is authored by CLEE's partners at the Terner Center for Housing Innovation.)

California faces complex and integrated challenges of unaffordable housing and climate change. Failure to build adequate housing supply has resulted in high prices that have pushed home buyers and renters to locations that are further from jobs, schools, and services. This results in compounding climate risks – increased emissions from driving, conversion of natural and working lands that store carbon and provide resilience benefits, and, in some cases, increased development in areas highly exposed to climate hazards such as wildfires. In short, California's housing shortage exacerbates the state's climate challenges.

Building housing in already-developed neighborhoods (i.e., infill housing) and denser development patterns provide multiple benefits. Dense development reduces energy and water use, requires less land, and makes more efficient use of existing infrastructure, including water and electricity distribution systems. This means not only building more homes near transit, but also building more multifamily units, accessory dwelling units, and smaller homes in existing, walkable neighborhoods.

While the State has taken significant action since 2017, through both legislation and regulation, to increase home production, production still falls far below what is needed. California's next governor will need to continue to maintain pressure on local governments to develop adequate housing supply, especially in areas that reduce reliance on driving.

Some key actions will include:

- **Containing housing costs**: High development costs, especially in coastal cities, pose a major challenge to increasing housing production. Potential solutions include factory-built housing, building code reform to reduce costs, and allowing small multi-family buildings to use the same code as single-family homes.
- **Aligning regional planning processes**: Regional governments are required to plan for growth in both their Sustainable Communities Strategies and Regional Housing Needs Allocation. However, lack of alignment between these two processes and the lack of consistency with local land use planning processes limits the ability to more strategically align land use, housing, and transportation planning.

- **Affordable housing and infill infrastructure funding**: Existing state funding programs do not meet the scale of the investment needed to significantly increase housing supply. Additional funds are needed to meet the scale of the State's housing challenge. Potential funding sources could include revenues from vehicle miles travelled-to-housing mitigation bank developed under AB 130 and reallocation of eligible transportation funds to support housing and infill infrastructure.

You can read more about **Housing and Climate** issues facing California's next governor and access all of CLEE's climate issue briefs at **California Climate Vote**. Read the other posts in the series here:

- Transportation
- Electricity Affordability
- Water
- Building Decarbonization and Energy Efficiency
- Recapping "Our Climate Future": A California Gubernatorial Candidate Forum