

Newsom Signs legislation to boost California's housing supply

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Gov. Gavin Newsom recently signed bipartisan legislation to expand housing production in California, streamline housing permitting and increase density to create more inclusive and vibrant neighborhoods across the state. The suite of bills also will help address the interrelated problems of climate change and housing affordability by promoting denser housing closer to major employment hubs – a critical element in limiting California's greenhouse gas emissions. The governor also highlighted the state's ongoing work to spur more housing production, tackle barriers to construction and hold local governments accountable.

"The housing affordability crisis is undermining the California Dream for families across the state, and threatens our long-term growth and prosperity," said Newsom. "Making a meaningful impact on this crisis will take bold investments, strong collaboration across sectors and political courage from our leaders and communities to do the right thing and build housing for all. I thank Pro Tem Atkins and all the Legislature's leaders on housing for their vision and partnership to keep California moving forward on this fundamental issue."

California officials announced the new California Housing Accelerator – a \$1.75 billion component of Newsom’s California Comeback Plan to expedite construction of an estimated 6,500 shovel-ready affordable multi-family units in projects stalled due to constraints on the supply of tax-exempt bonds and low-income housing tax credits.

The California Comeback Plan invests an unprecedented \$22 billion in housing and homelessness which will lead to the creation of over 84,000 new affordable homes for Californians, including over 44,000 new housing units and treatment beds for people exiting homelessness. This plan marks the most significant investment in housing in California’s history with \$10.3 billion proposed for housing and over \$12 billion for the unhoused.

The governor also signed California State Senate President pro Tempore Toni G. Atkins’ SB 9, the California Housing Opportunity and More Efficiency Act, which the White House this month commended to increase housing supply. The HOME Act facilitates the process for homeowners to build a duplex or split their current residential lot, expanding housing options for people of all incomes that will create more opportunities for homeowners to add units on their existing properties. It includes provisions to prevent the displacement of existing renters and protect historic districts, fire-prone areas and environmental quality.

“I appreciate Governor Newsom’s continued commitment to solving one of the most vexing issues facing our state – increasing the amount of housing and widening access for more Californians,” said Atkins (D-San Diego). “SB 9 will open up opportunities for homeowners to help ease our state’s housing shortage, while still protecting tenants from displacement. And it will help our communities welcome new families to the neighborhood and enable more folks to set foot on the path to buying their first home. I’m grateful for the Governor’s partnership, and our shared determination to turn the corner on California’s housing crisis.”

SB 10 by Senator Scott Wiener (D-San Francisco) creates a voluntary process for local governments to access a streamlined zoning process for new multi-unit housing near transit or in urban infill areas, with up to 10 units per parcel. The legislation simplifies the CEQA requirements for upzoning, giving local leaders another tool to voluntarily increase density and provide affordable rental opportunities to more Californians.

“California’s severe housing shortage is badly damaging our state, and we need many approaches to tackle it,” said Senator Wiener. “SB 10 provides one important approach: making it dramatically easier and faster for cities to zone for more housing. It shouldn’t take five or 10 years for cities to re-zone, and SB 10 gives cities a powerful new tool to get the job done quickly. I want to thank the governor for signing this essential bill and for continuing to lead on housing.”