



Senator Scott Wiener, 11th Senate District

SB 50 – More HOMES Act of 2019:

Housing, Opportunity, Mobility, Equity, Stability

SUMMARY

Senate Bill 50 allows for building housing near existing job centers and public transportation, and includes strong protections against displacement for renters and vulnerable communities in those areas.

The bill is expected to help relieve the acute housing shortage and affordability crisis in California's cities while reducing pressure to build in the wildfire-exposed urban-wildland interface. It will also reduce climate pollution by greatly expanding access to sustainable transportation options, like public transportation, and by allowing people to live closer to where they work.

BACKGROUND/EXISTING LAW

Existing law leaves most zoning and land use decisions to local governments, and includes no minimum density standards near state- and federally-funded transit infrastructure. While state land use standards in the Density Bonus Law and SB 375 establish general guidelines and principles, they do not include adequate provisions for enforcement.

Due to the lack of adequate and enforceable statewide standards, most California cities (with a few noteworthy exceptions) are still operating from outdated and highly restrictive zoning ordinances that make it difficult or impossible to build multi-family dwellings at any density; duplexes, fourplexes, and similar infill housing types near high-quality transit are routinely banned due to neighborhood objections and underlying single-family zoning.

Clearly, a significant component of solving California's housing crisis must include greatly expanding access to transit services for workers at all income levels, while addressing the well-documented housing shortage. The status quo is jeopardizing several of the State's high-priority policy objectives:

- **On housing affordability:** [The California Legislative Analyst's Office](#) has found that the housing shortage in coastal cities is pushing a growing share of Californians into poverty, and forcing a large and growing cohort to spend more than half their income on rent.
- **On climate change:** The [California Air Resources Board](#) has found that the state will miss its climate targets unless Californians

reduce the amount they drive by 25 percent by 2030. Absent a surge of new housing development in livable, pedestrian-oriented areas near public transit, such reductions in vehicle miles travelled are impossible.

- **On equitable growth:** [According to the California Department of Housing and Community Development](#), "Today's population of 39 million is expected to grow to 50 million by 2050. Without intervention, much of the population increase can be expected to occur further from job centers, high-performing schools, and transit, constraining opportunity for future generations."

PROBLEM

Economic and educational opportunities in California are increasingly concentrated in urban areas, but housing construction has not kept pace with demand for access to these opportunities. Local governments play the lead role in determining the location and amount of housing in their jurisdictions, including which developments will be located near high-quality transit corridors. They also control, via housing supply, access to schools and other vital services and amenities that improve community well-being and ensure a vibrant economic future.

The dearth of new housing construction in California's highest-opportunity communities has compounded over the last several decades into a [shortage of 3.5 million homes](#), according to the California Housing and Community Development Department.

California's workers and families feel the results of this shortage in the form of exorbitant rents and the highest home purchase prices in the nation. Excessive competition for limited housing supply is also [driving a statewide epidemic of displacement, evictions, and homelessness](#).

California's failure to keep home building on pace with job growth is directly responsible for longer commutes and increased air pollution. Millions of low- and middle-income Californians have [multi-hour commutes](#), as they seek affordable housing far from areas with concentrated economic and educational opportunities.

Statewide, California's businesses have created 4.5 jobs for every new housing unit; according to the [Building Industry Association](#), the ideal ratio is 1.5 jobs per housing unit.

[According to the Department of Housing and Community Development:](#)

“Land use policies and planning can help encourage greater supply and affordability, as well as influence the type and location of housing. Thoughtful land use policies and planning can translate into the ability for families to access neighborhoods of opportunity, with high-performing schools, greater availability of jobs that afford entry to the middle-class, and convenient access to transit and services. Easy access to jobs and amenities reduces a household's daily commute and other travel demands. Encouraging new homes in already developed areas and areas of opportunity not only alleviates the housing crisis, but also supports the State's climate change and equity goals.”

SOLUTION

While the housing shortage is chronic across most California jurisdictions, there are several examples of cities taking the lead on reforms that help alleviate the crisis by encouraging infill housing near transit, job, and educational opportunities. These include [Los Angeles, which authorized creation of the Transit Oriented Communities \(TOC\) program in 2017](#). The measure created powerful incentives for affordable housing near Metro subway stops and bus services through modifications to the zoning code; as projects move closer to high-quality transit, they are required to increase the amount of affordable housing.

[Oakland's experience](#) also offers a positive vision for future housing growth. In 2016, the city eliminated minimum parking requirements, drastically reducing the cost of new housing construction while encouraging new developments on high-quality transit corridors. The changes to the city's zoning and development standards have resulted in a mini-boom of walkable, transit-oriented apartments near BART and AC Transit bus stations, and within a short distance from the city's primary job locations.

Senate Bill 50 integrates lessons learned from cities like Los Angeles and Oakland to expand the benefits of affordable, transit-rich and job-rich housing across the state. The bill will give cities new tools to provide relief to rent-burdened workers and families while reversing the growing, and alarming, trends of homelessness, displacement, and migration out of California.

State Minimums, More Housing Choices:

The bill waives apartment bans near high-quality transit and in job-rich areas to ensure that the benefits of public investments in transportation are broadly accessible to Californians of all incomes. The bill also includes specific requirements to provide low-income housing in new development to ensure that market-rate construction is always coupled with affordable units for the lowest income Californians.

SB 50 applies to sites that are either within 1/2 mile of high-quality public transportation, or within a job-rich, high-opportunity neighborhood. Under SB 50, a local government will be allowed to approve higher-density housing with no parking requirements, provided the site is adjacent to transit, or reduced parking requirements in areas close to jobs and high-quality schools. Height limits for new housing with close, walkable access to rail transit will be loosened to encourage mid-rise, apartment-style housing construction. For example, in areas close to rail or transit-connected ferry service, a local government may allow buildings of up to 4-5 stories, depending on the distance from transit.

Preservation of Local Control:

Under the legislation, all housing projects will still be subject to environmental review (the California Environmental Quality Act), and existing labor and employment standards for new construction. Local development fees, community engagement processes, and architectural design review for each housing development will remain as-is. Additionally:

- **Anti-demolition:** A local government retains existing authority to ban, prohibit, or restrict demolition of existing housing, consistent with the Housing Accountability Act. At a minimum, a local government may not issue demolition permits for housing currently or recently occupied by renters.
- **Local affordable housing policy:** If a local government requires more affordable housing than what is required in SB 50, that policy will be honored in new developments.
- **Neighborhood height limits:** A local government retains authority to set or maintain local height limits for new housing in areas without easy access to rail transit.
- **Local initiatives to encourage TOD:** If a community has a successful, preexisting, program to encourage apartments near public transportation, such as the TOC program in Los Angeles, then properties eligible for that incentive will be ineligible for this program.

Key provisions for renters and sensitive communities:

SB 50 includes the following provisions:

- **Tenant Protections:** Establishes strict tenant protections to ensure long-time residents will not be displaced from their communities, including a prohibition on demolishing buildings currently or recently occupied by renters.
- **Affordable Housing:** Establishes an inclusionary zoning policy that can only be met by providing housing for low, very low, or extremely low-income households, ensuring affordable housing will be built for people of all income levels.
- **Sensitive Communities:** Allows for delayed implementation in sensitive communities at risk of gentrification and displacement, and grants five years for a community-led planning process in these neighborhoods.
- **Job-Rich Communities:** Proposes a new “job-rich housing project” incentive to ensure that communities with easy access to jobs and in neighborhoods with high-performing public schools allow a broader range of housing choices for people of all income levels, even in the absence of high-quality transit.

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