

April 1, 2021

The Honorable Scott Wiener
California State Senate
State Capitol
Sacramento, CA 95814

Support – SB 478 – Housing standards.

Dear Senator Scott Wiener,

I write on behalf of California YIMBY to support and sponsor SB 478, which will establish guardrails for floor area ratios regulations and minimum lot size regulations, putting guardrails on local governments' ability to enact hyper restrictive regulations.

California YIMBY is a statewide organization of 80,000 neighbors who welcome more neighbors. We believe that an equitable California begins with abundant, secure, affordable housing. We focus on housing and land use policy at the state and local level to ensure grassroots organizers and city leaders have the tools they need to accelerate home building, fight displacement, and fight for a California for everyone.

Existing housing element law requires local governments to plan and zone for housing through the RHNA process, but also allows them to set regulations on housing that can actually back-door prohibit the production of this housing. These regulations include floor area ratios and minimum lot sizes. This bill proposes to set uniform standards for local governments on these two housing regulations, closing this loophole within current law that does not allow localities to build the amount of housing they have already planned for.

The floor area ratio (FAR) of a property is the total area of the floor space in a building, potentially over several floors or units, divided by the area of the entire lot. FAR restrictions control how large a building can be, based on how large the parcel of land is. For example, a lot with a floor area ratio of 1.0 allows a one-story building over the entire lot, a two-story building over half the lot, or a three-story building over a third of the lot. A minimum lot size requirement is a zoning code regulation that specifies the minimum square footage a lot size can be. This term regulates density and describes the smallest lot that can legally be created within a local jurisdiction. In some areas, lot size minimums can be as large as an acre, or about 43,000 sq. feet. If the minimum lot size is large, people are required to purchase a larger piece of land than what is needed, limiting potential buyers and increasing housing costs. In some communities, the per home minimum land cost can be more than \$500,000.

Recent research has found that these design rules can substantially increase the cost of housing when imposed in very restrictive ways. For example, recent research finds that large lot sizes increase the cost of housing¹ and likely exacerbate or cause racial segregation.² This confirms previous research on housing

¹ Lotting Large: The Phenomenon of Minimum Lot Size Laws. Boudreaux, Paul. 2016.

<https://digitalcommons.maine.gov/cgi/viewcontent.cgi?article=1017&context=mlr>

² Sorting Into Neighborhoods: The Role of Minimum Lot Sizes. Kulka, Amrita. 2019.

<https://drive.google.com/file/d/1Wr8T687wz-jVVMEVWoZCQXB53pxCM5hK/view>

regulations, such as FAR,³ that concludes that extremely tight regulations reduce the supply of housing and increases the cost of housing.⁴

This bill would allow local governments to regulate FAR and minimum lot sizes in the ways they deem most appropriate for their communities, but it puts guardrails on this right to prevent abuse against very restrictive standards that increase housing costs and exacerbate segregation. This bill would not require local governments to allow multifamily housing where they do not allow it. It also does not change other standards, such as height or setbacks. It just puts important guardrails on design standards so that housing that is planned for is not undermined by hyper-restrictive design rules.

For these reasons, California YIMBY is pleased to support SB 478 and thanks you for bringing the bill forward.

Best wishes,



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³ The Effects of Land Use Regulation on the Price of Housing: What do we know? What can we learn? Quigley, John, and Larry Rosenthal. 2005. <https://www.huduser.gov/periodicals/cityscape/vol8num1/ch3.pdf>

⁴ Supply Skepticism: Housing Supply and Affordability. Been, Vicki, Ingrid Gould Ellen, and Katherine O'Regan. 2019. <https://furmancenter.org/research/publication/supply-skepticism-housing-supply-and-affordability>