

SB 50 (WIENER): THE MORE HOMES ACT

POSITION: The Chamber's Public Policy Sub-Committee on Infrastructure, Housing & Land Use voted to SUPPORT SB 50 IN CONCEPT on January 15, 2019. The Chamber's Public Policy Committee voted to SUPPORT SB 50 IN CONCEPT on February 12, 2019. The Chamber's Board of Directors voted to SUPPORT SB 50 IN CONCEPT on February 28, 2019.

RATIONALE: SB 50 is a promising reintroduction of SB 827, which was supported by the Chamber last year. However, some details require further clarification, which is why the position is a support *in concept*.

STATUS: SB 50 was introduced to Senator Scott Wiener on December 3, 2018.

SUMMARY

SB 50 creates geographic areas where an Equitable Communities Incentive may be applied, namely in transit-rich areas, "job rich" areas and "high-opportunity" areas (to be specifically determined by the Department of Housing and Community Development, and the Office of Planning and Research). The bill specifies what incentives are allowed as follows:

- In jobs rich, high opportunity areas, a project would receive:
 - A waiver from density caps
 - Lowered parking requirements
- Within a half mile of a major transit stop:
 - A waiver from height restrictions that are less than 45 feet
 - A waiver from maximum FAR requirements less than 2.5
 - A waiver from maximum parking
- Within a quarter mile of a major transit stop:
 - A waiver from height restrictions less than 55 feet
 - A waiver from any parking requirements
 - A waiver from maximum FAR requirements less than 3.5

INDUSTRY/IES IMPACTED

If enacted, the bill would facilitate additional housing supply putting downward pressure on housing prices which will benefit businesses from many industries struggling with talent attraction and retention due to housing options and affordability. More directly, the building industry would be impacted.

SUPPORTERS

- CA Yimby
- California Apartment Association
- California Association of Realtors
- Los Angeles Chamber of Commerce
- Silicon Valley Leadership Group
- Others

OPPONENTS

- None known

ARGUMENTS IN FAVOR

- By most measurements, California is lacking 3.5 million homes to keep up with the natural growth in the state. This has resulted in a shortage of homes, and an acute housing affordability crisis throughout the state.
- This bill would allow for increased housing supply by limiting the ability of community members to block the development of new homes.

ARGUMENTS IN OPPOSITION

- This bill would allow for a major increase in density in all neighborhoods, without regard to the character of the area, or the value of homes already in the area.
- This bill disregards local control and provides the state a role in deciding the future of neighborhoods.
- By applying these policies to “high-opportunity” areas, density could be added to auto-dependent areas detracting from CO2 emission reduction efforts.

MORE INFORMATION

Due to significant opposition from social justice and tenants’ rights advocates in 2018, this version of the density-bill introduced in SB 50, includes tenant protections and affordability requirements that could become challenging in the actual utilization of the incentives included. More specifically, the bill states that any building that has been occupied in the past seven years cannot be demolished and used as a location for bonuses from SB 50. Furthermore, the bill will include an inclusionary requirement that has yet to be spelled out in the bill language (there are currently place holders).