

**March 22, 2005**

## **Housing California: Proposal for Housing and Land Use Reform Legislation**

At the direction of the Business Transportation and Housing Agency, the attached draft legislation is being released to obtain feedback and comments from all affected stakeholders. The draft proposal is a work in progress to implement the Administration's commitment to increase the supply and affordability of housing. Understanding that housing is significant segment of California's economy and is pivotal to the State's economic recovery and competitiveness, the Administration is committed to bold action that addresses the root cause of the housing crisis: an *inadequate supply*. The draft reforms are based on the principle that a real and long-term solution to addressing housing needs must begin with expanding housing supply, which requires providing an expanded inventory of properly designated and zoned land for housing development. Effectively implementing this solution requires all local governments to "take care of their own" by designating a 20 year land supply and zoning for a 10 year need to match projected natural population increase and job generation for all income categories.

The draft proposal is intended to accomplish the following objectives of the Administration:

- Expand housing supply by addressing the root causes of availability and affordability.
- Embrace market forces to operate in the interest of the homebuyer and renter consumer: provide more choices for consumers; increase impact of existing resources; and minimize the depth of per-unit subsidy needed for housing for very low and low income households.
- Accommodate an adequate supply on a more efficient land use pattern (reduce sprawl; minimize impacts on productive farmland and valuable habitat; provide a foundation for improved mobility and reduced single-occupant vehicle trips).
- Eliminate regulatory barriers and time delays for production.
- Establish higher standards of accountability with less state bureaucracy and paperwork; provide regulatory relief for local governments in return for performance.
- Provide tangible incentives and rewards for good planning and more housing production; establish efficient enforcement.

The attached draft proposal\* has not been finalized nor accepted by the Administration, Business, Transportation and Housing Agency or the Department of Housing and Community Development. Its release at this time is intended to further the dialog between the Administration and stakeholders. A final proposal by the Administration will consider the feedback and input solicited through this process.

Please provide written comments by March 28, 2005 and submit by facsimile to 916-324-5107 or by email to [ccreswell@hcd.ca.gov](mailto:ccreswell@hcd.ca.gov).

\*[For ease of use, the draft proposal does not contain all the sections being eliminated or retained. Notice that full text version is available.]