

Assembly Bill 2011

The Affordable Housing and High Road Jobs Act
Assemblymember Buffy Wicks (AD-15)

SUMMARY

The Affordable Housing and High Road Jobs Act (AB 2011) advances all of the state's housing goals, allowing every community to build more climate-friendly, infill affordable housing for struggling families, seniors, workers, and veterans – while also growing a thriving, high-wage, middle-class construction workforce in every community. It does so by making affordable housing by right on commercially zoned lands, and mixed-income housing by right along commercial corridors, as long as the projects meet specified affordability, labor, and environmental criteria.

THE ISSUE

California is in the midst of a housing crisis. The median price of a single-family home exceeds \$800,000, and over half of renters – including 80 percent of low-income renters – are paying more than 30 percent of their income toward housing. In 2020, over 160,000 Californians experienced homelessness on a given night.

The 2022 Statewide Housing Plan estimates that California needs to build approximately 2.5 million units of housing over the next eight years – including over one million units affordable to lower income households. According to HCD, the state will need 180,000 new units of housing each year just to keep up with existing demand, including 80,000 units affordable to lower-income households. Yet California averages less than 100,000 new units per year, and has never produced more than 20,000 new affordable homes in any year.

There are many reasons housing production has not kept up with demand. These include an insufficient amount of land zoned for multi-family housing, a local entitlement process that can be extremely long, risky, and expensive, and the lack of an ongoing source of funding stream

dedicated to solving California's housing and homelessness crisis. Additionally, the state has an acute shortage of construction workers, with tight labor markets in nearly every region and a workforce training pipeline that has not kept pace with rising demand.

Finally, California is grappling with the implications of climate change. To meet state climate goals, new housing must be in developed areas that do not require long commutes and rely on low-emissions modes of travel like transit, biking, and walking.

THE SOLUTION

AB 2011 would create the Affordable Housing and High Road Jobs Act (the Act). The Act would simultaneously address our affordable housing, jobs, and climate crises by pairing new opportunities to build affordable housing on underutilized commercial sites with unprecedented labor standards that ensure all construction workers earn prevailing wages and receive health benefits.

With thousands of these commercial sites across California, this would allow production of new affordable housing units at scale, without changing the density or character of existing residential neighborhoods. One recent analysis found the potential for two million units in just Santa Clara County and Los Angeles County. The bill also includes new homeownership opportunities for middle-income Californians, while promoting climate-friendly affordable development on sites close to jobs and transit.

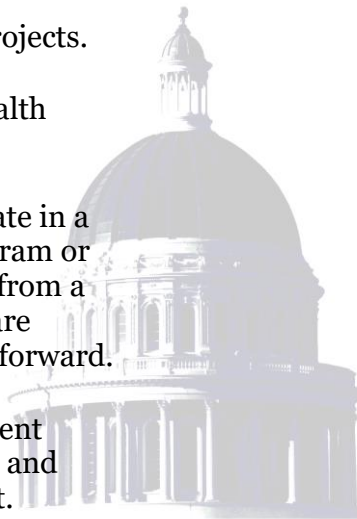
BILL SPECIFICS

Creates new housing opportunities: This legislation allows housing to be built by right in infill areas currently zoned for office, retail, and parking uses.

- 100% affordable housing will be allowed anywhere in these areas that is not adjacent to industrial land or on environmentally sensitive land.
- Mixed-income housing will be focused along commercial corridors that are wide enough to accommodate density and new transit. At least 15 percent of the units would be required to be affordable to lower income households. For sale projects could, alternatively, provide 30 percent of their unit for moderate-income households.

Grows the middle-class workforce: In order to build on these new sites, the bill requires developers to meet a range of responsible wage and training standards.

- Prevailing wage is required on all projects.
- For projects of 50 or more units, health benefits for workers are required.
- All contractors must either participate in a state-approved apprenticeship program or request the dispatch of apprentices from a program. If no apprentice workers are available, the project can still move forward.
- The bill also includes new enforcement mechanisms to ensure these payroll and benefits requirements are being met.



SUPPORT

CA Conference of Carpenters (Co-Sponsor)
California Housing Consortium (Co-Sponsor)
Northern California Council of Carpenters
Southwest Regional Council of Carpenters

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