



AB 3155: Entry-Level Home Ownership Act

SUMMARY

Addresses immediate housing supply shortages exacerbated by the COVID-19 crisis by creating parity for home ownership opportunities in urban areas and removing barriers in state law that prevent the widespread production of small lot housing types with ten or fewer units.

BACKGROUND

California is in the midst of an unprecedented global pandemic. COVID-19 has already had a devastating impact on our economy. Industries throughout the U.S., like building and residential construction, have come to a screeching halt. This comes at a time when California is facing increasing rates of homelessness and housing supply shortages.

Even before the COVID-19 crisis, homeownership in the state was at its lowest level since the 1940s, and opportunities for first-time homeownership are not available in most of our communities. Single-family homes are either no longer affordable in high-opportunity, job-rich areas or are only available far away from where people actually work. Declining availability and steep home prices, especially in high-cost markets, have shifted the make-up of first-time homebuyers towards less-diverse, higher-income households. Small lot homes, which cost less to build than either single family or large multi-family products, are a proven housing market recovery tool, adding jobs and homes that people want at a price they can afford.

The lack of plentiful and less-expensive forms of homeownership near job centers degrades the health and environment of our State. It forces parents into long commutes to reach their jobs, increases the emission of greenhouse gases from automobile pollution, diminishes productivity, and compromises the general health and well-being of working parents and their families. In addition, it increases the number of families leaving California to purchase homes in nearby states. Removing barriers to ownership represents an opportunity for the expansion of homeownership for all Californians.

SOLUTION

AB 3155 accelerates housing production at a time when we need it most. This bill removes legal barriers that discourage the creation of new housing for first-time homeownership with naturally lower cost more affordable homes.

AB 3155 limits the expansion of SB 35 streamlining provisions to allow permitting for small developments of ten units or fewer, while meeting any existing local inclusionary requirement or, alternatively, pay a fee to local governments to contribute to affordable housing. This expansion of current law only applies in those jurisdictions that under current law require small projects to have on-site affordable housing of 50% which is not practical for builders or local agencies, and therefore not usable to create housing otherwise fully compliant with SB 35.

The bill would also amend the Subdivision Map Act for the State, similar to an ordinance in Los Angeles, to treat rental and ownership projects identically by allowing construction with a building permit before a Final Map is recorded with projections to ensure required improvements are installed before occupancy. The Los Angeles ordinance that has created more ownership opportunities there, is popular with builders and homebuyers and aided in economic recovery after the 2000 and 2009 recessions.

Many families and individuals are struggling to become homeowners and find adequate housing, due to the extremely high cost and the lack of housing supply. We need to remove the barriers proven to encourage more naturally affordable forms of ownership housing so that Farmworkers and other critical California workers have a chance to own a home.

SUPPORT

Habitat for Humanity California (Co-Sponsor)
The Two Hundred (Co-Sponsor)



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Abundant Housing LA
All Home
Bay Area Council
Bay Area Housing Advocacy Coalition
California Black Chamber of Commerce
California Building Industry Association
California Chamber of Commerce
California Hispanic Chambers of Commerce
California Journal for Filipino Americans
California YIMBY
Casita Coalition
Chan Zuckerberg Initiative
Chicano Federation of San Diego County
Community Housing Improvement Systems and
Planning Association
Community Housing Opportunities Corp
East Bay for Everyone
El Concilio of San Mateo County
Facebook
Hollywood YIMBY
House Sacramento
Inland Empire Latino Coalition
Jobs and Housing Coalition
League of Women Voters of California
Monterey Peninsula Renters United
Mountain View YIMBY
Non-Profit Housing Association of Northern
California
Peninsula for Everyone
San Francisco Bay Area Planning and Urban
Research Association (SPUR)
San Francisco Foundation
Santa Cruz YIMBY
SV@HOME
Silicon Valley Community Foundation
SLO County YIMBY
South Bay YIMBY
TELACU
The Unity Council
TMG Partners
Up for Growth Action California
Ventura County Community Development
Corporation
YIMBY Action
5 Individuals

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