

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. 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.

- Housing that is 100% affordable to lower income households 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)
 AARP
 Abundant Housing LA
 Affirmed Housing
 All Home
 Bay Area Council
 Burbank Housing Development Corporation
 California Apartment Association
 California Association of Local Housing Finance Agencies
 California Coalition for Rural Housing
 California Community Builders
 California Housing Partnership

California YIMBY
 Carpenter Local Union 1599
 Carpenters Local 22
 Carpenters Local 46
 Carpenters Local 152
 Carpenters Local 180
 Carpenters Local 405
 Carpenters Local 505
 Carpenters Local 562
 Carpenters Local 605
 Carpenters Local 619
 Carpenters Local 661
 Carpenters Local 701
 Carpenters Local 713
 Carpenters Local 714
 Carpenters Local 721
 Carpenters Local 805
 Carpenters Local 909
 Carpenters Local 951
 Carpenters Local 1109
 Carpenters Local 1789
 Carpenters Local 2236
 Carpenters Women's Auxiliary 001
 Carpenters Women's Auxiliary 007
 Carpenters Women's Auxiliary 001
 Carpenters Women's Auxiliary 66
 Carpenters Women's Auxiliary 91
 Carpenters Women's Auxiliary 417
 Carpenters Women's Auxiliary 710
 Carpenters Women's Auxiliary 1904
 City of San Mateo
 CivicWell
 Construction Employers' Association
 Council of Infill Builders
 Destination: Home
 Drywall Lathers Local 9109
 Drywall Local Union 9144
 East Bay Asian Local Development Corporation
 Fieldstead and Company
 Generation Housing
 Greenbelt Alliance
 Housing Action Coalition
 Housing California
 Lathers Local 68
 Making Housing and Community Happen
 Mercy Housing
 MidPen Housing Corporation
 Millwrights Local 102
 Modular Installers Association
 Non Profit Housing Association of Northern California

Northern California Carpenters Regional Council
Pile Drivers Local 34
Richmond Community Foundation
San Diego Housing Federation
San Francisco Bay Area Planning and Urban
Research Association (SPUR)
San Francisco Housing Development
Corporation
Satellite Affordable Housing Associates
Silicon Valley Community Foundation
Southern California Association of Nonprofit
Housing
Southwest Regional Council of Carpenters
SV@Home Action Fund
The Kennedy Commission
The Pacific Companies
The Two Hundred
United Lutheran Church of Oakland
United Way of California
USA Properties Fund
Ventura County Clergy and Laity United for
Economic Justice

CONTACT

Steve Wertheim
Office of Assemblymember Wicks
(916) 319-2085
steve.wertheim@asm.ca.gov

